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General purpose and scope

271.1 General purpose and scope (12/5/2013, 13-04)

a. Purpose of Supplemental Nutrition Assistance Program (SNAP)

The SNAP program is designed to promote the general welfare and to safeguard the health and well being of the Nation's population by raising the levels of nutrition among low-income households. Section 2 of the Food Act of 2008 states, in part:

Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation's agricultural abundance and will strengthen the Nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a supplemental nutrition assistance program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who will apply for participation.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 271.2 **Date of this Memo** 03/07/2012 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Can someone who has been found to be disabled by the Disability Determination Unit for Medicaid be considered disabled for 3SquaresVT?

ANSWER: Yes. In addition to the 10 criteria listed at 271.2 the definition of an elderly or disabled member includes recipients of conditional SSA payments while pending an SSI decision and recipients of disability related medical assistance as determined by the Disability Determination Unit (DDU) under title XIX of the Social Security Act.

Definitions

271.2 Definitions (12/5/2013, 13-04)

“Access Device” means any card, plate, code, account number, or other means of access that can be used alone, or in conjunction with another access device, to obtain payments, allotments, benefits, money, goods, or other things of value, or that can be used to initiate a transfer of funds under the Food and Nutrition Act of 2008, as amended.

“Active case” means a household which was certified prior to, or during, the sample month and issued SNAP benefits for the sample month.

“Active case error rate” means an estimate of the proportion of cases with an error in the determination of eligibility or basis of issuance. This estimate will be expressed as a percentage of the completed active quality control reviews excluding all results from cases processed by SSA personnel or participating in a demonstration project identified by FNS as having certification rules that are significantly different from standard requirements.

“Adequate notice” in a periodic reporting system such as monthly reporting or quarterly reporting means a written notice that includes a statement of the action the agency has taken or intends to take; the reason for the action; the household's right to request a fair hearing; the name of the person to contact for additional information; the availability of continued benefits; and the liability of the household for any overissuances received while awaiting a fair hearing if the hearing official's decision is adverse to the household. Depending on the timing of a State's system and the timeliness of report submission by participating households, such notice may be received prior to agency action, at the time reduced benefits are received, or, if benefits are terminated, at the time benefits would have been received if they had not been terminated. In all cases, however, participants will be allowed ten days from the mailing date of the notice to contest the agency action and to have benefits restored to their previous level. If the 10-day period ends on a weekend or a holiday and a request is received the day after the weekend or holiday, the State agency shall consider the request to be timely.

“Allotment” means the total value of benefits a household is authorized to receive during each month or other time period.

“Application form” means:

1. The application form designed or approved by FNS, which is completed by a household member or authorized representative; or
2. For households consisting solely of public assistance or general assistance recipients, it may also mean the application form used to apply for public assistance or general assistance, including attachments approved by FNS, which is completed by a household member or authorized representative.

“Assessment” An in-depth evaluation of employability skills coupled with counseling on how and where to search for employment. If combined with work experience, employment search or training, an assessment of this nature could constitute part of an approvable employment and training component.

“Authorization to participate card (ATP)” means a document which is issued by the State agency to a certified household to show the allotment the household is authorized to receive on presentation of such document.

VERMONT NOTE: Vermont does not use an ATP.

Definitions

“Base of Eligibles” Employment and training mandatory participants plus persons who volunteer for employment and training participation.

“Beginning month(s)” in a Monthly Reporting and Retrospective Budgeting system means either the first month for which the household is certified for SNAP benefits (where the State agency has adopted a one-month accounting system) or the first month for which the household is certified for SNAP benefits and the month thereafter (where the State agency has adopted a two-month accounting system). For a household which applies for Food Stamps at the same time that it applies for TANF and is eligible in both Programs, the State agency may extend the household an additional beginning month if necessary, to coincide with the household's AFDC budgeting system. Except for beginning months in sequence as described in the preceding sentences, a beginning month cannot be any month which immediately follows a month in which a household is certified. The month following the month of termination resulting from a one-month temporary change in household circumstances shall not be considered a beginning month.

VERMONT NOTE: Monthly Reporting is not applicable in Vermont.

“Budget month” in a Monthly Reporting and Retrospective Budgeting system means the fiscal or calendar month from which the State agency uses income and other circumstances of the household to calculate the household's SNAP allotment to be provided for the corresponding issuance month.

VERMONT NOTE: Monthly Reporting is not applicable in Vermont.

“Bulk storage point” means an office of the State agency or any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has assigned responsibility for, the security and storage of food coupons.

“Communal dining facility” means a public or nonprofit private establishment, approved by FNS, which prepares and serves meals for elderly persons, or for supplemental security income (SSI) recipients, and their spouses, a public or private nonprofit establishment (eating or otherwise) that feeds elderly persons or SSI recipients, and their spouses, and federally subsidized housing for the elderly at which meals are prepared for and served to the residents. It also includes private establishments that contract with an appropriate State or local agency to offer meals at concessional prices to elderly persons or SSI recipients, and their spouses.

“Coupons” means any coupon, stamp, type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number.

“Coupon issuer” means any office of the State agency or any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has assigned responsibility for, the issuance of coupons to households.

“Department” means the U. S. Department of Agriculture.

“Drug addiction or alcoholic treatment and rehabilitation program” means any drug addiction or alcoholic treatment and rehabilitation program conducted by a private, nonprofit organization or institution, or a publicly operated community mental health center, under part B of title XIX of the Public Health Service Act (42 U. S. C. 300x et seq.). Under part B of title XIX of the Public Health Service Act is defined as meeting the criteria which would make it eligible to receive funds, even if it does not actually receive funding under part B of title XIX.

Definitions

“Elderly or disabled member” means a member of a household who:

1. is 60 years of age or older;
2. receives Supplemental Security Income benefits under Title XVI of the Social Security Act or disability or blindness payments under Titles I, II, X, XIV, or XVI of the Social Security Act;
3. receives Federally or State-administered supplemental benefits under section 1616(a) of the Social Security Act provided that the eligibility to receive the benefits is based upon the disability or blindness criteria used under Title XVI of the Social Security Act;
4. receives Federally or State-administered supplemental benefits under section 212(a) of Public Law 93-66;
5. receives disability retirement benefits from a government agency because of a disability considered permanent under section 221(i) of the Social Security Act;
6. is a veteran with a service-connected or non-service connected disability rated by the Veteran's Administration (VA) as total or paid as total by the VA under Title 38 of the United States Code;
7. is a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound under Title 38 of the United States Code;
8. is a surviving spouse of a veteran and considered by the VA to be in need of regular aid and attendance or permanently housebound or a surviving child of a veteran and considered by the VA to be permanently incapable of self-support under Title 38 of the United States Code;
9. is a surviving spouse or surviving child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a non-service connected death under Title 38 of the United States Code and has a disability considered permanent under section 221(i) of the Social Security Act. “Entitled” as used in this definition refers to those veterans' surviving spouses and surviving children who are receiving the compensation or pension benefits stated or have been approved for such payments but are not yet receiving them;
10. receives an annuity payment under section 2(a)(1)(iv) of the Railroad Retirement Act of 1974 and is determined to be eligible to receive Medicare by the Railroad Retirement Board; or section 2(a)(1)(v) of the Railroad Retirement Act of 1974 and is determined to be disabled based upon the criteria used under Title XVI of the Social Security Act; or
11. (Definition not applicable to Vermont.)

“Eligible foods” means (1) any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods and hot food products prepared for immediate consumption; (2) seeds and plants to grow foods for the personal consumption of eligible households; (3) meals prepared and delivered by an authorized meal delivery service to households eligible to use coupons to purchase delivered meals; or meals served by an authorized communal dining facility for the elderly, for SSI households or both, to households eligible to use coupons for communal dining; (4) meals prepared and served by a drug addict or alcoholic treatment and rehabilitation center to narcotic addicts or alcoholics and their children who live with them; (5) meals prepared and served by a group living arrangement facility to residents who are blind or disabled as defined in paragraphs 2 through 11 of the definition of

Definitions

“Elderly or disabled member” contained in this section; (6) meals prepared by and served by a shelter for battered women and children to its eligible residents; (7) in the case of certain eligible households living in areas of Alaska where access to food stores is extremely difficult and the households rely on hunting and fishing for subsistence, equipment for the purpose of procuring food for eligible households, including nets, lines, hooks, fishing rods, harpoons, knives, and other equipment necessary for subsistence hunting and fishing but not equipment for the purpose of transportation, clothing, or shelter nor firearms, ammunition or other explosives; (8) in the case of homeless SNAP households, meals prepared for and served by an authorized public or private nonprofit establishment (e.g. soup kitchen, temporary shelter), approved by an appropriate State or local agency, that feeds homeless persons; and (9) in the case of homeless food stamp households, meals prepared by a restaurant which contracts with an appropriate State agency to serve meals to homeless persons at concessional (low or reduced) prices.

“Employment and Training Component (E&T)” A work experience, work training or job search program, as described in section 6(d)(B)(iv) of the Food and Nutrition Act of 2008 [7 U. S. C. 2014(2)(4)(B)] designed to help SNAP recipients move promptly into unsubsidized employment.

“Employment and Training Mandatory Participant (E&T)” A SNAP program applicant or participant who is required to work register under 7 U. S. C. 2014(d)(1) or (2) and who the State determines should not be exempted from participation in an employment and training program.

“Employment and Training Program (E&T)” A program operated by each State agency consisting of one or more work, training, education or job search components.

“Exempted” For purposes of 273.7 excluding paragraphs (a) and (b)--this term refers to a work-registered person or persons excused by the State, under the conditions in 273.7(f) from participation in an employment and training program.

“Expunged EBT benefits” means unused benefits that revert to the SNAP Program from the EBT benefit account when they have not been accessed by a household for 270 days. A household loses its entitlement to expunged EBT food account benefits and they cannot be reactivated. Expunged EBT benefits are sometimes referred to as being “aged-off.”

“Federal fiscal year” means a period of 12 calendar months beginning with each October 1 and ending with September 30 of the following calendar year.

“Firm's practice” means the usual manner in which personnel of a firm or store accept food coupons as shown by the actions of the personnel at the time of the investigation.

“FNS” means the Food and Consumer Service of the U.S. Department of Agriculture.

“Food Stamp Act” means the Food Stamp Act of 1977 (Pub.L- 95-113), including any subsequent amendments thereto.

“General Assistance (GA)” means cash or another form of assistance, excluding in-kind assistance, financed by State or local funds as part of a program which provides assistance to cover living expenses or other basic needs intended to promote the health or well-being of recipients.

Definitions

“Group living arrangement” means a public or private nonprofit residential setting that serves no more than sixteen residents that is certified by the appropriate agency or agencies of the State under regulations issued under Section 1616(e) of the Social Security Act or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under section 1616(e) of the Social Security Act. To be eligible for SNAP benefits, a resident of such a group living arrangement must be blind or disabled as defined in paragraphs 2 through 11 of the definition of “Elderly or disabled member” contained in this section.

“Homeless individual” means an individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations (such as a welfare hotel or congregate shelter);
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized;
3. A temporary accommodation, for not more than 90 days, in the residence of another individual; or
4. A place not designed for, or ordinarily used, as a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby or similar places).

“Homeless meal provider” means (1) A public or private nonprofit establishment (e.g., soup kitchens, temporary shelters) that feed homeless persons; or (2) A restaurant which contracts with an appropriate State agency to offer meals at concessional (low or reduced) prices to homeless persons.

“House-to-house trade route” means any retail food business operated from a truck, bus, pushcart, or other mobile vehicle.

“Identification (ID) Card” means a card which identifies the bearer as eligible to receive and use food coupons.

“Immigration and Naturalization Service (INS)” means the Immigration and Naturalization Service, U. S. Department of Justice.

“Insured financial institution” means a financial institution insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC).

“Insured financial institution” means a financial institution insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC).

“Issuance month” in a Monthly Reporting and Retrospective Budgeting system means the fiscal or calendar month for which the State agency shall issue a SNAP benefits. Issuance is based upon income and circumstances in the corresponding budget month. In prospective budgeting, the budget month and issuance month are the same. In retrospective budgeting, the issuance month follows the budget month and the issuance month shall begin within 32 days after the end of the budget month. (NOTE: Issuance month corresponds to payment month in TANF.)

Definitions

“Meal delivery service” means a political subdivision, a private nonprofit organization, or a private establishment with which a State or local agency has contracted for the preparation and delivery of meals at concessional prices to elderly persons, and their spouses, and to the physically or mentally handicapped and persons otherwise disabled, and their spouses, such that they are unable to adequately prepare all of their meals.

“Medicaid” means medical assistance under title XIX of the Social Security Act as amended.

“Minimum benefit” means the minimum monthly amount of SNAP benefits that one- and two-person households receive.

“Newly Work Registered” SNAP participants work registered at the point of application.

“Nonprofit cooperative food purchasing venture” means any private nonprofit association of consumers whose members pool their resources to buy food.

“Offset year” means the calendar year during which offsets may be made to collect certain recipient claims from individuals' federal income tax refunds.

“Overissuance” means the amount by which SNAP benefits issued to a household exceeds the amount it was eligible to receive.

“Overpayment error rate” means the percentage of the value of all allotments issued in a fiscal year that are either: (1) issued to households that fail to meet basic program eligibility requirements, or (2) overissued to eligible households.

“Payment error rate” means the sum of the point estimates of two component error rates: an overpayment error rate and an underpayment error rate. Each component error rate is the value of SNAP benefits either overissued or underissued expressed as a percentage of all allotments issued to completed active sample cases, excluding those cases processed by SSA personnel or participating in certain demonstration projects designated by FNS.

“Placed in an Employment and Training Program (E&T)” A State agency may count a person as “placed” in an employment and training program when the individual commences a component or is sent a Notice of Adverse Action (NOAA) for noncompliance with a SNAP employment and training requirement. Persons who refuse to work register or who voluntarily quit a job and are sent a NOAA may not be considered “placed”.

“Program” means the Supplemental Nutrition Assistance Program conducted under the Food and Nutrition Act and regulations.

“Project area” means the county or similar political subdivision designated by a State as the administrative unit for program operations. Upon prior FNS approval, a city, Indian reservation, welfare district, or any other entity with clearly defined geographic boundaries, or any combination of such entities, may be designated as a project area, or a State as a whole may be designated as a single project area.

“Prospective budgeting” in a Monthly Reporting and Retrospective Budgeting system means the computation of a household's SNAP benefit for an issuance month based on an estimate of income and circumstances which will exist in that month.

Definitions

“Public Assistance (PA)” means Supplemental Security Income/Aid to the Aged, Blind, or Disabled (SSI/AABD) combined benefits, the AABD state supplement to SSI, and Reach Up financial assistance.

“Qualified Alien” means an alien who, at the time of application or receipt of SNAP benefits, is one of the following:

- (1) An alien lawfully admitted for permanent residence as defined in section 101(a)(2) of the Immigration and Nationality Act (INA).
- (2) An alien who is granted asylum under section 208 of the INA.
- (3) A refugee who is admitted to the United States under section 207 of the INA.
- (4) An alien who is paroled into the United States under section 212(d)(5) of the INA for a period of at least one year.
- (5) An alien whose deportation is being withheld under section 243(h) of the INA or whose removal is being withheld under section 241(b)(3) after April 1, 1997.
- (6) An alien who is granted conditional entry under section 203(a)(7) of the INA as in effect prior to April 1, 1980.
- (7) An alien battered or subjected to extreme cruelty in the United States, when all of the following three conditions are true:
 - a.. The person responsible for the battery or cruelty is the aliens spouse or parent, or the aliens spouse or parent consented to or acquiesced in the battery or cruelty by a family member residing in the same household as the alien. In addition, the person responsible for the battery or cruelty must be living apart from the victim for the alien to qualify for SNAP benefits.
 - b. There is substantial connection between the battery or cruelty and the need for benefits, as determined by the United States Attorney General.
 - c. The alien has been approved or has a petition pending for:
 - i. status as a spouse or child of a United States citizen, pursuant to clause (ii), (iii), or (iv) of section 204(a)(1)(A) of the Immigration and Nationality Act,
 - ii. classification pursuant to clause (ii) or (iii) of section 204 (a)(1)(B) of the Act,
 - iii. suspension of deportation and adjustment of status pursuant to section 244(a)(3) of the Act, or
 - iv. status as a spouse or child of a United States citizen pursuant to clause (i) of section 204(a)(1)(A) of the Act or classification pursuant to clause (i) of section 204(a)(1)(B) of the Act.

Definitions

- (8) An alien whose child was battered or subjected to extreme cruelty in the United States, when all of the following conditions are true:
- a.. The person responsible for the battery or cruelty was the aliens spouse or parent, or the aliens spouse or parent consented or acquiesced in the battery or cruelty by a family member residing in the same household as the alien. In addition, the person responsible for the battery or cruelty must be living apart from the victim for the alien to qualify for SNAP benefits.
 - b. The alien did not actively participate in the battery or cruelty.
 - c. There is a substantial connection between the battery or cruelty and the need for benefits, as determined by the United States Attorney General.
 - d. The alien meets one of the provisions of 7 (c) above.
- (9) An alien child residing in the same household as a parent who was battered or subjected to extreme cruelty in the United States, when all of the following conditions are true:
- a.. The person responsible for the battery or extreme cruelty was the parents spouse or a member of the spouses family residing in the same household as the parent. In addition, the person responsible for the battery or cruelty must be living apart from the victim for the alien child to quality for SNAP benefits.
 - b. There is substantial connection between the battery or cruelty and the need for benefits, as determined by the United States Attorney General.
 - c. The alien child meets one of the provisions of 7(c) above.
- (10) An alien who is a Cuban or Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980.

“Quality control review” means a review of a statistically valid sample of active and negative cases to determine the extent to which households are receiving the SNAP benefits to which they are entitled, and to ensure that negative cases are not incorrectly denied or terminated.

“Record-for-issuance file” means a file which is created monthly from the master issuance file, which shows the amount of benefits each eligible household is to receive for the issuance month, and the amount actually issued to the household.

“Regulations” means the provisions of this subchapter. Regulatory citations refer to provisions of the subchapter unless otherwise specified.

“Reservation” means the geographically defined area or areas over which an ITO exercises governmental jurisdiction so long as such area or areas are legally recognized by the Federal or a State government as being set aside for the use of Indians.

“Retail food store” means (1) an establishment or recognized department of an establishment, or a house-to-house trade route, whose eligible food sales volume as determined by visual inspection, sales records, purchase records, or other inventory or accounting record keeping methods are customary or reasonable in the retail food industry is more than 50 percent staple food items for home preparation and

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consumption; (2) public or private communal dining facilities and meal delivery services; private non-profit drug addict or alcoholic treatment and rehabilitation programs; publicly operated community mental health centers which conduct residential programs for drug addicts and/or alcoholics; public or private nonprofit group living arrangements; public or private nonprofit shelters for battered women and children; public or private nonprofit establishments, approved by an appropriate State or local agency, that feed homeless persons; or a restaurant that contracts with an appropriate State agency to provide meals at concessional (low or reduced) prices to homeless SNAP households; (3) any stores selling equipment for procuring food by hunting and fishing to eligible households in Alaska, as specified in the definition of eligible foods; (4) any private nonprofit cooperative food purchasing venture, including those whose members who pay for food prior to receipt of the food; and (5) a farmers' market.

“Retrospective budgeting” in a Monthly Reporting and Retrospective Budgeting system means the computation of a household's SNAP benefits for an issuance month based on actual income and circumstances which existed in a previous month, the “budget month”.

VERMONT NOTE: Monthly Reporting is not applicable in Vermont.

“Review date” for quality control active cases means a day within the sample month, either the first day of the calendar or fiscal month or the day the household was certified, whichever is later. The “review date” for negative cases is the date of the agency's decision to deny or terminate program benefits. For no case is the “review date” the day the QC review is conducted.

“Review period” means the 12-month period from October 1 of each calendar year through September 30 of the following calendar year.

“Sample frame” means a list of all units from which a sample is actually selected.

“Sample month” means the month of the sample frame from which a case is selected (e.g., for all cases selected from a frame consisting of households participating in January, the sample month is January).

“Screening” means an evaluation by the eligibility worker as to whether a person should or should not be referred for participation in an employment and training program. This activity would not be considered an approvable E & T component.

“Secretary” means the Secretary of the U. S. Department of Agriculture.

“Shelter for battered women and children” means a public or private nonprofit residential facility that serves battered women and their children. If such a facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women and children.

“Spouse” refers to either of two individuals:

1. who would be defined as married to each other under applicable State law: or
2. who are living together and are holding themselves out to the community as husband and wife by representing themselves as such to relatives, friends, neighbors, or trades people.

Definitions

“Supplemental Nutrition Assistance Program (SNAP)” means the food program conducted under the Food and Nutrition Act of 2008.

VERMONT NOTE: In Vermont, this is known as the Three Squares Vermont (3SVT) and formerly known as the Food Stamp Program.

“SSA processed/demonstration case” means a case that is participating or has been denied based upon processing by SSA personnel or is participating or has been denied/terminated based upon the rules of a demonstration project with significantly different certification rules (as identified by FNS).

“Stale EBT benefits” means unused benefits that have become inactive because a SNAP household has not used any benefits from the EBT benefit account for a 90-day period. A household retains its entitlement to stale benefits, sometimes referred to as “aged” benefits, and may have the benefits reactivated at any time within 180 days of becoming stale. After 180 days, stale EBT food benefits are expunged from the EBT account and cannot be reactivated.

“Staple food” means those food items intended for home preparation and consumption, which include meat, poultry, fish, bread and breadstuffs, cereals, vegetables, fruits, fruit and vegetable juices, and dairy products. Accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices are not staple foods for the purpose of qualifying a firm to participate in the program as a retail store or as a wholesale food concern.

“State” means any one of the 50 States, the District of Columbia, Guam, the Virgin Islands of the United States, and the reservation of an Indian tribe whose ITO meets the requirements of the SNAP Act for participation as a State agency.

“State agency” means the agency of the State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within the State and in those States where such assistance programs are operated on a decentralized basis, it includes the counterpart local agencies which administer such assistance programs for the State agency.

VERMONT NOTE: The state agency is the Division of Economic Services.

“State Income and Eligibility Verification System (IEVS)” means a system of information acquisition and exchange for purposes of income and eligibility verification which meets the requirements of Section 1137 of the Social Security Act, generally referred to as the IEVS.

“State Wage Information Collection Agency (SWICA)” means the State agency administering the State unemployment compensation law, another agency administering a quarterly wage reporting system, or a State agency administering an alternative system which has been determined by the Secretary of Labor, in consultation with the Secretary of Agriculture and the Secretary of Health and Human Services, to be as effective and timely in providing employment related income and eligibility data as the two just mentioned agencies.

“Shelter for battered women and children” means a public or private nonprofit residential facility that serves battered women and their children. If such a facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women and children.

Definitions

“Spouse” refers to either of two individuals:

1. who would be defined as married to each other under applicable State law: or
2. who are living together and are holding themselves out to the community as husband and wife by representing themselves as such to relatives, friends, neighbors, or trades people.

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“State” means any one of the 50 States, the District of Columbia, Guam, the Virgin Islands of the United States, and the reservation of an Indian tribe whose ITO meets the requirements of the SNAP Act for participation as a State agency.

“State agency” means the agency of the State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within the State and in those States where such assistance programs are operated on a decentralized basis; it includes the counterpart local agencies which administer such assistance programs for the State agency.

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“Sub-units” means the physical location of an organizational entity within a project area/management unit involved in the operation of SNAP, excluding Post Offices.

“Supplemental Security Income (SSI)” means monthly cash payments made under the authority of:

1. Title XVI of the Social Security Act, as amended, to the aged, blind and disabled (Federal SSI); or
2. section 1616(a) of the Social Security Act (optional State supplementation); or
3. section 212 (a) of Public Law 93-66 (mandatory minimum State supplementation).

“Systematic Alien Verification for Entitlements (SAVE)” means the INS program whereby State agencies may verify the validity of documents provided by aliens applying for SNAP benefits by obtaining information from a central data file.

“Thrifty Food Plan” means the diet required to feed a family of four persons consisting of a man and a woman 20 through 50, a child 6 through 8, and a child 9 through 11 years of age, determined in accordance with the Secretary's calculations. The cost of such diet shall be the basis for uniform allotments for all households regardless of their actual composition. In order to develop maximum SNAP allotments, the Secretary shall make household size and other adjustments in the Thrifty Food Plan taking into account economies of scale and other adjustments as required by law.

“Trafficking” means:

1. The buying, selling, stealing or otherwise effecting an exchange of SNAP benefits issued and accessed via Electronic Benefits Transfer (EBT) cards, card numbers and personal identification numbers (PINS), or by manual voucher and signature, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone;
2. The exchange of firearms, ammunition, explosives, or controlled substances, as defined in section 802 of title 21, United States Code, for SNAP benefits;
3. Purchasing a product with SNAP benefits that has a container requiring a return deposit with the intent of obtaining cash by discarding the product and intentionally returning the container for the deposit amount, intentionally discarding the product, and intentionally returning the container for the deposit amount;

Definitions

4. Purchasing a product with SNAP benefits with the intent of obtaining cash or consideration other than eligible food by reselling the product, and subsequently intentionally reselling the product purchased with SNAP benefits in exchange for cash or consideration other than eligible food; or
5. Intentionally purchasing products originally purchased with SNAP benefits in exchange for cash or consideration other than eligible food.

“Underissuance” means the amount by which the allotment to which the household was entitled exceeds the allotment which the household received.

“Underissuance error rate” (See Underpayment error rate.)

“Underpayment error rate” means the ratio of the value of allotments underissued to recipient households to the total value of allotments issued in a fiscal year by a State agency.

“Universe” means all units for which information is desired.

“Variance” means the incorrect application of policy and/or a deviation between the information that was used to authorize the sample month issuance and the verified information that should have been used to calculate the sample month issuance.

VERMONT NOTE:

- “Cash-Out” means the SSI/Elderly Cash-Out Demonstration Project. Vermont was a test site for this one-year project. Legislation has provided for continuance.
- “Cash-Out Household” means a SNAP household in which all members are either in receipt of SSI/AABD or 65 years old or older.

“Wholesale food concern” means an establishment which sells eligible food to retail food stores or to meal services for resale to households.

Allotment Reduction Procedures

271.7 Allotment Reduction Procedures (02/01/1995, 95-1)

a. General Purpose (02/01/1995, 95-1)

This section sets forth the procedures to be followed if the monthly Food Stamp allotments determined in accordance with the provisions of 273.10 must be reduced, suspended or cancelled to comply with Section 18 of the Food Stamp Act of 1977, as amended. The best available data pertaining to the number of people participating in the program and the amounts of benefits being issued shall be used in deciding whether such action is necessary.

b. Nature Of Reduction Action (02/01/1995, 95-1)

Action to comply with Section 18 of the Food Stamp Act of 1977, as amended, may be a suspension or cancellation of allotments for one or more months, a reduction in allotment levels for one or more months or a combination of these three actions. If a reduction in allotments is deemed necessary, allotments shall be reduced by reducing Thrifty Food Plan amounts for each household size by the same percentage. This results in all households of a given size having their benefits reduced by the same dollar amount. The dollar reduction would be smallest for one-person households and greatest for the largest households. Since the dollar amount would be the same for all households of the same size, the rate of reduction would be lowest for zero net income households and greatest for the highest net income households. All one and two-person households affected by a reduction action shall be guaranteed the minimum benefit unless the action is a cancellation of benefits, a suspension of benefits, or a reduction of benefits of 90 percent or more of the total amount of benefits projected to be issued in the affected month.

c. Reduction Method (02/01/1995, 95-1)

If a reduction in allotments is deemed necessary, the Thrifty Food Plan amounts for all household sizes shall be reduced by a percentage specified by FNS. For example, if it is determined that a 25 percent reduction in the Thrifty Food Plan amount is to be made, the reduction for all four-person households would be calculated as follows: The Thrifty Food Plan amount for a four-person household (\$209 in November 1980) would be reduced by 25% to \$157. Then 30 percent of the household's net Food Stamp income would be deducted from the reduced Thrifty Food Plan Amount. For example, 30 percent of a net Food Stamp income of \$200, \$60, would be deducted from the reduced Thrifty Food Plan Amount (\$157), resulting in a reduced allotment of \$97.

d. Implementation Of Allotment Reductions (02/01/1995, 95-1)

1. Reductions

- i If a decision is made to reduce monthly Food Stamp allotments, FNS shall notify State agencies of the date the reduction is to take effect and by what percentage Thrifty Food Plan amounts are to be reduced.
- ii Upon receiving notification that a reduction is to be made in an upcoming month's allotment, State agencies shall act immediately to implement the reduction. Such action would differ from State to State depending on the nature of the issuance system in use. Where there are computerized issuance systems, the program used for calculating allotments shall be altered to reflect the appropriate percentage reduction in the Thrifty Food Plan for each household size and the computer program shall be adjusted to allow for the minimum benefit for one and two person households.

Allotment Reduction Procedures

The computer program shall also be adjusted to provide for the rounding of benefit levels of \$1, \$3 and \$5 to \$2, \$4 and \$6 respectively. FNS will provide State agencies with revised issuance tables reflecting the percentage reductions to be made in the Thrifty Food Plan amounts and reduced Thrifty Food Plan levels. In States where manual issuance is used, State agencies shall reproduce the issuance tables provided by FNS and distribute them to issuance personnel. State agencies shall ensure that the revised issuance tables are distributed to issuance agents and personnel in time to allow benefit reductions during the month ordered by FNS. In an HIR card system State agencies have the option of enacting the reduction in benefits either by changing all HIR cards before issuance activity for the affected month begins or by adjusting allotments at the point of issuance as each household appears at the issuance office.

2. Suspensions And Cancellations

- i If a decision is made to suspend or cancel the distribution of Food Stamp benefits in a given month, FNS shall notify State agencies of the date the suspension or cancellation is to take effect. In the event of a suspension or cancellation of benefits, the provision for the minimum benefit for households with one or two members only shall be disregarded and all households shall have their benefits suspended or cancelled. Upon receiving notification that an upcoming month's issuance is to be suspended or cancelled, State agencies shall take immediate action to effect the suspension or cancellation. This action would involve making necessary computer adjustments, and notifying issuance agents and personnel.
- ii Upon being notified by FNS that a suspension of benefits is over, State agencies shall act immediately to resume issuing benefits to certified households and shall resume benefit issuance as soon as practicable.

3. Affected Allotments

Whenever a reduction of allotments is ordered for a particular month, reduced benefits shall be calculated for all households for the designated month. However, any household with one or two members whose reduced benefits would be less than the minimum benefit shall receive the minimum benefit except as provided in 273.10(e)(2). Allotments or portions of allotments representing restored or retroactive benefits for a prior unaffected month would not be reduced, suspended or cancelled, even though they are issued during an affected month.

4. Notification Of Eligible Households

Reductions, suspensions and cancellations of allotments shall be considered to be Federal adjustments to allotments. As such, State agencies shall notify households of reductions, suspensions and cancellations of allotments in accordance with the notice provisions of 273.12(e)(1), except that State agencies shall not provide notices of adverse action to households affected by reductions, suspensions, or cancellations of allotments.

Allotment Reduction Procedures

5. Restoration Of Benefits

Households whose allotments are reduced or cancelled as a result of the enactment of these procedures are not entitled to the restoration of the lost benefits at a future date. However, if there is a surplus of funds as a result of the reduction or cancellation, FNS shall direct State agencies to provide affected households with restored benefits unless the Secretary determines that the amount of surplus funds is too small to make this practicable. The procedures implemented by State agencies for reducing and canceling benefits shall be designed so that in the event FNS directs the restoration of benefits, such benefits are issued promptly.

e. Effects Of Reductions, Suspensions And Cancellations On The Certification Of Eligible Households (05/12/1983, 83-20)

1. Except as provided in paragraph (e)(2) below, determinations of the eligibility of applicant households shall not be affected by reductions, suspensions or cancellations of allotments. State agencies shall accept and process applications during a month(s) in which a reduction, suspension or cancellation is in effect in accordance with the requirements of Part 273. Determinations of eligibility shall also be made according to the provisions of Part 273. If an applicant is found to be eligible for benefits and a reduction is in effect, the amount of benefits shall be calculated by reducing the Thrifty Food Plan amount by the appropriate percentage for the applicant's household size and then deducting 30 percent of the household's net Food Stamp income from the reduced Thrifty Food Plan amount. If an applicant is found to be eligible for benefits while a suspension or cancellation is in effect, no benefits shall be issued to the applicant, until issuance is again authorized by FNS.

2. Expedited Service

- i Households eligible to receive expedited processing who apply for program benefits during months in which reductions or suspensions are in effect, shall have their cases processed in accordance with the expedited processing provisions of §273.2(i).
 - A. Those households that receive expedited service in months in which reductions are in effect and that are determined to be eligible shall be issued allotments that are reduced in accordance with the reduction in effect. These reduced allotments shall be made available to the households within the benefit delivery timeframe specified in §273.2(i).
 - B. Those households that receive expedited service in months in which suspensions are in effect and that are determined to be eligible shall have benefits issued to them within the timeframe specified in §273.2(i). However, if the suspension is still in effect at the time issuance is to be made, the issuance shall be suspended until the suspension is ended.

Allotment Reduction Procedures

- ii Households eligible to receive expedited processing who apply for Program benefits during months in which cancellations are in effect shall receive expedited service. However, the deadline for completing the processing of such cases shall be five calendar days or the end of the month of application, whichever date is later. All other rules pertaining to expedited service, contained in §273.2(i), shall be applicable to these cases.
- 3. The reduction, suspension or cancellation of allotments in a given month shall have no effect on the certification periods assigned to households. Those participating households whose certification periods expire during a month in which allotments have been reduced, suspended or cancelled shall be recertified according to the provisions of §273.14. Households found eligible to participate during a month in which allotments have been reduced, suspended or cancelled shall have certification periods assigned in accordance with the provisions of §273.10.
- f. Fair Hearings (81-19)

Any household that has its allotment reduced, suspended or cancelled as a result of an order issued by FNS in accordance with these rules may request a fair hearing if it disagrees with the action, subject to the following conditions. State agencies shall not be required to hold fair hearings unless the request for a fair hearing is based on the household's belief that its benefit level was computed incorrectly under these rules or that the rules were misapplied or misinterpreted. State agencies shall be allowed to deny fair hearings to those households who are merely disputing the fact that a reduction, suspension or cancellation was ordered. Furthermore, since the reduction, suspension or cancellation would be necessary to avoid an expenditure of funds beyond those appropriated by Congress, households do not have a right to a continuation of benefits pending the fair hearing. A household may receive retroactive benefits in an appropriate amount if it is determined that its benefits were reduced by more than the amount by which the State agency was directed to reduce benefits.

- g. Issuance Services (02/1/95, 95-1)

State agencies must have issuance services available to serve households receiving restored or retroactive benefits for a prior, unaffected month.

- h. Penalties (81-19)

Notwithstanding any other provision of this subchapter, FNS may take one or more of the following actions against a State agency that fails to comply with a directive to reduce, suspend or cancel allotments in a particular month.

- 1. If FNS ascertains that a State agency does not plan to comply with a directive to reduce, suspend or cancel allotments for a particular month, a warning will be issued advising the State agency that if it does not comply, FNS may cancel 100 percent of the Federal share of the State's administrative costs for the affected month(s). If, after receiving such a warning, a State agency does not comply with a directive to reduce, suspend or cancel allotments, FNS may cancel 100 percent of Federal share of the State agency's administrative costs for the affected months.

Allotment Reduction Procedures

2. If FNS ascertains after warning a State agency as provided in 1. above, that the State agency does not plan to comply with a directive to reduce, suspend or cancel allotments, a court injunction may be sought to compel compliance.
3. If a State agency fails to reduce, suspend or cancel allotments as directed, FNS will bill the State agency for all overissuances that result. If a State agency fails to remit the billed amount to FNS within a prescribed period of time the funds will be recovered through offsets against the Federal share of the State agency's administrative costs, or any other means available under law.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.1a Date of this Memo 11/13/1987 Page 1 of 1

This Memo: is New Replaces one dated 09/10/1984

QUESTION: Under what conditions may a student, living at home, in a Food Stamp household, be eligible to participate as a member of that household.

ANSWER: The student must meet the student applicability test in 273.5a and meet at least one of the eligibility criteria in 273.5b 1. If an otherwise eligible student as defined, who has not been participating at school because furnished meals were part of the school living arrangement comes home for an extended vacation, semester break or summer recess, that student can then become a participating member of the household if the majority of the meals are taken at home and the eligibility criteria is maintained. For example, be employed during the summer vacation.

QUESTION: What is the Food Stamp household member status of a foster child?

ANSWER: The Food Stamp household has the choice of:

- A. designating a foster child as a non-household member in a room and board status; or
- B. designating a foster child as a member of the Food Stamp household.

The United States District Court for the District of Vermont has ruled that the regulations at 273.1(a) (2)(i)(B) do not apply to children who are not legally related to (i.e., biological, adopted, or step children) the adult members of the Food Stamp household.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.1a **Date of this Memo** 09/30/1992 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: A disabled person age 60 or over lives with his/her spouse and grandchildren, at least one of whom is a minor. The group purchases their food and prepare their meals together. The elderly person’s disability is such that he/she is unable to purchase and prepare his/her meals. Is this group a single Food Stamp household because they “...live together and customarily purchase food and prepare meals together for home consumption”, or are there two households because of the separate household rule (273.1a.2.ii) for those 60 year old or older and unable to purchase and prepare due to a disability, provided the income of the rest of the household does not exceed 165 percent of the poverty line.

ANSWER: There are two Food Stamp households, with the husband and wife one household and the grand children another household. The regulation cited above grants the elderly person with a disability preventing the purchase and preparation of meals independent of others, separate limitations put on who the “others” are. This regulation makes this situation an exception that takes precedence over the other household composition rules.

The statute [7 U.S.C. section 2012(i)] requires that the spouse who lives in the same household with such an elderly and disabled individual also be included in his or her Food Stamp household.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.1a2 Date of this Memo 8/4/15 Page 1 of 1

This Memo: is New Replaces one dated 7/26/2014

Household Composition: Same Sex Spouses

QUESTION: How does the Supreme Court ruling in *Obergefell v. Hodges* change 3SVT household composition rules?

ANSWER: As of June 26, 2015, there is a slight change in how we determine mandatory household members for 3SVT. Same sex spouses living together must be included in the same 3SVT household. This is now applicable to any married couple, regardless of the state in which they were married.

QUESTION: How do we treat married same sex couples?

ANSWER: Spouses who live together are mandatory members of the 3SVT household.

QUESTION: What verification is required to document any marriage?

ANSWER: None. Household composition is only subject to verification if questionable.

QUESTION: Does this change how we treat civil union couples?

ANSWER: No. Civil union designation from any state, including Vermont, does not qualify as married for 3SVT. Two individuals living together, who have entered into a civil union, are not mandatory members of the same 3SVT household. However, civil union partners that purchase and prepare food together may be considered members of the same 3SVT household.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.1b Date of this Memo 02/03/1982 Page 1 of 1

This Memo: is New Replaces one dated 08/19/1981

QUESTION: Is an essential person a “live-in” attendant and thus not eligible to be a member of the Food Stamp household?

ANSWER: It seems in line with the intent of the rules tht the definition of live-in attendant can specify:

- A. Spouses can’t be live-in attendants
- B. Live-in attendants have to receive a regular salary.

Using this definition:

Aged or disabled Food Stamp recipients who pay a live-in attendant can declare the salary and, if the recipient provides most of the attendant’s meals, the Thrifty Food Plan as a medical deduction if they furnished a majority of the attendant’s meals. See 273.9d3x. If the salary is paid by someone else, the costs can’t be used, but the Thrifty Food Plan deduction may still apply.

Essential persons who are spouses or who are not paid can be included in the Food Stamp household. Essential persons who are spouses and who receive a salary would report the salary as earned income. If the salary is paid by the aged or disabled person he/she can declare the salary as a medical expense; but not take a Thrifty Food Plan deduction, as the caretaker will be on Food Stamps.

QUESTION: If an aged/disabled individual pays his spouse as an essential person or a live-in attendant, can the salary be used as a medical expense, thus decreasing the Food Stamp net income and increasing benefits?

ANSWER: No. Points 1 and 2 in the above answer say that a person isn’t a live-in attendant unless she gets a salary and that spouses can’t be live-in attendants. If a person did pay his spouse he couldn’t take a medical expense deduction for salary to a live-in attendant since the spouse doesn’t qualify as a live-in attendant.

Household Concept

273.1 Household Concept (01/24/1997, 97-2F)

a. Household Definition

1. General Definition

A household is composed of one of the following individuals or groups of individuals provided they are not residents of an institution (except as otherwise specified in paragraph (e) of this section), are not residents of a commercial boarding house, or are not boarders (except as otherwise specified in paragraph (c) of this section):

- i. An individual living alone;
- ii. An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from the others;
- iii. A group of individuals who live together and customarily purchase food and prepare meals together for home consumption.

2. Special Definition

- i. The following individuals living with others or groups of individuals living together shall be considered as customarily purchasing food and preparing meals together, even if they do not do so:
 - A. A spouse as defined in 271.2 of a member of the household;
 - B. Children (excluding foster children) under 18 years of age who live with and are under the parental control of a household member other than their parent. Children are considered to be under parental control for purposes of this provision if the children are financially or otherwise dependent on a member of the household. Children who are living with their children or who are married and living with their spouse are considered to be independent units and not under parental control; thus they may be considered a separate household if they purchase food and prepare meals separately.
 - C. Parent(s) living with their natural, adopted or step-children 21 years of age or younger.
- ii. Although a group of individuals living together and purchasing and preparing meals together constitutes a single household under the provisions of paragraph (a)(1)(iii) of this section, an otherwise eligible member of such a household who is 60 years of age or older and who is unable to purchase and prepare meals because he/she suffers from a disability considered permanent under the Social Security Act or suffers from a nondisease-related, severe, permanent disability may be a separate household from the others based on the provisions of paragraphs (a)(2)(i)(A), (a)(2)(i)(B), and (a)(2)(i)(C) of this section provided that the income (all income under 273.9(b)) of the others with whom the individual resides (excluding the income of the spouse of the elderly and disabled individual) does not exceed 165% of the poverty line.

b. Nonhousehold Members (8/1/87, 87-18)

1. For the purposes of defining a household under the provisions of paragraph (a)(1) of this section, the following individuals shall not be included as a member of the household, unless specifically included as a household member under the provisions of paragraph (a)(2) of this

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.1b 1 Date of this Memo 05/01/2011 Page 1 of 1

This Memo: is New Replaces one dated 09/08/1983

QUESTION: Are shared households a legitimate living arrangement for 3SquaresVT (3SVT)? These situations where two or more households purchase and prepare meals separately and share living quarters.

ANSWER: Yes. A shared household is when two or more households each pay a portion of the rent, mortgage, taxes, utilities and/or other shelter expenses. Any number of 3SVT households might live together and share costs in one housing unit. However, the combined total of the shared portions can not exceed the actual cost incurred for the housing unit. For example, if four households share rent of \$500 for a home, the total of all shares can not be greater than \$500.

QUESTION: Is there a clear-cut way to tell the difference between a shared living arrangement and a roomer situation?

ANSWER: Use these guidelines: If each household pays its share separately to the landlord, then it is a shared arrangement. When one household collects shares from one or more of the other households to pay to the landlord, it is probably a shared arrangement. If one household pays a share to another household but does not contribute towards fuel and utilities review the case closely to determine if it is a shared arrangement, as claimed, or if on household should be considered a roomer.

Roomers are individuals or families living with others and paying a flat fee for lodging. They do not pay a separate amount for utilities. If there are multiple roomers the combined payments can be greater than the incurred cost of the housing unit. For example, if the rent for a house is \$500 and three households pay room rent to a 4th household the room rent amounts can be greater than \$500

QUESTION: Can one of the households be the landlord?

ANSWER: Yes. A landlord can be in a shared living arrangement just like anyone else.

INTERPRETIVE MEMO

3SquaresVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.1(b)(1)(iii) **Date of this memo** November 7, 2014 **Pages** 1 of 2

This memo: **is new** **Replaces one dated** _____

Policy Update: Joint or Shared Physical Custody of Children

The following policy applies to instances when two households share custody of a child, and both households have applied for 3SquaresVT benefits and have claimed the same child as a member of their household. Under these circumstances, the child should be included in the household that was the first to apply for benefits.

The child will continue to remain in the household that was first to apply unless both of the following instances occur:

- (1) The second household applies for benefits and claims the child as a member of the household; and
- (2) The second household provides adequate verification that the child primarily resides in the second household

Adequate Verification

In order to verify that the child primarily resides in the second household, the second household must provide one of the following:

- (1) A signed statement from the first household's head of household indicating that the child primarily resides in the second household; or
- (2) A signed statement from the child, if that child is at least 18 years of age, indicating that he or she primarily resides in the second household; or
- (3) Other sufficient evidence to verify that the child primarily resides in the second household. This evidence includes, but is not limited to:
 - a. Current day care records;
 - b. Current school records;
 - c. Current medical records;
 - d. Court orders (along with another piece of verifying evidence). Please note that court orders, known in Vermont as Parental Rights and Responsibilities (PR&R) Agreements, alone, are not sufficient evidence to verify the primary residence of the child. This is due to the fact that PR&R agreements are often established by the court, but are not necessarily followed by the parties.

INTERPRETIVE MEMO

3SquaresVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.1(b)(1)(iii) **Date of this memo** November 7, 2014 **Pages** 2 of 2

This memo: is new Replaces one dated _____

Procedure for When Adequate Verification is Submitted by the Second Household

When adequate verification has been submitted by the second household that is sufficient to reasonably prove that the child primarily resides in the second household, the following procedures must be followed:

- (1) Following confidentiality guidelines, notify the first household that the second household is claiming that the child primarily resides in the second household, and if the first household does not take action, the child will be removed from the first household and their benefit may decrease as a result.
- (2) Provide the first household 10 days to send in verification that reasonably proves that the child primarily resides in the first household.

If the first household fails to provide adequate verification within 10 days of notification, the child must be removed from the first household and placed in the second household. This action must be taken within 30 days of determining that there is adequate verification indicating that the child primarily resides in the second household.

Household Concept

section. If not included as a member of the household under the provisions of paragraph (a)(2) of this section, such individuals shall not be included as a member of the household for the purpose of determining household size, eligibility, or benefit level. The income and resources of such individuals shall be handled in accordance with the provisions of 273.11(d). The following individuals (if otherwise eligible) may participate as separate households:

i. Roomers

Individuals to whom a household furnishes lodging, but not meals, for compensation.

ii. Live-In-Attendants

Individuals who reside with a household to provide medical, housekeeping, child care or other similar personal services.

iii. Others

Other individuals who share living quarters with the household but who do not customarily purchase food and prepare meals with the household. For example, if the applicant household shares living quarters with another family to save on rent, but does not purchase and prepare food together with that family, the members of the other family are not members of the applicant household.

2. Some household members are ineligible to receive program benefits under the provisions of the Food Stamp Act (such as SSI recipients in cash-out States, certain aliens, and certain students). Others may become ineligible for such reasons as being disqualified for committing an intentional program violation or refusing to comply with a regulatory requirement. These individuals shall be included as a member of the household for the purpose of defining a household under the provisions of paragraphs (a)(1) and (a)(2) of this section. However, such individuals shall not be included as eligible members of the household when determining the household's size for the purpose of comparing the household's monthly income with the income eligibility standard or assigning a benefit level by household size. The income and resources of such individuals shall be handled in accordance with the provisions of 273.11(c) or (d), as appropriate. These individuals are not eligible to participate as separate households. Ineligible individuals include the following:

i. Ineligible Students (2/1/1995, 95-1)

Individuals who do not meet the eligible student requirements of 273.5.

ii. Ineligible Aliens

Individuals who do not meet the citizenship or eligible alien status requirements of 273.4a or the eligible sponsored alien requirements of 273.11j.

iii. SSI Recipients in "Cash-out" States

Recipients of SSI benefits who reside in a State designated by the Secretary of Health and Human Services to have specifically included the value of the coupon allotments in its State supplemental payments.

iv. Intentional Program Violation

Individuals disqualified for intentional program violation, as set forth in 273.16.

Household Concept

- v. SSN Disqualified
Individuals disqualified for failure to provide an SSN, as set forth in 273.6.
 - vi. Workfare Sanctioned
Individuals against whom a sanction was imposed while they were participating in a household disqualified for failure to comply with workfare requirements, as set forth in 273.22.
 - vii. Persons disqualified for noncompliance with the work requirements of 273.7.
- c. Boarders (2/1/1996, 96-7)
1. Boarders are defined as individuals or groups of individuals residing with others and paying reasonable compensation to the others for lodging and meals (excluding residents of a commercial boarding house). Boarders are ineligible to participate in the program independent of the household providing the board. They may participate as members of the household providing the boarder services to them, at such household's request. In no event shall boarder status be granted to those individuals or groups of individuals described in paragraph (a)(2) of this section which includes children or siblings residing with elderly or disabled parents or siblings.
 2. The household within which a boarder resides (including the household of the proprietor of a boarding house) may participate in the program if the household meets all the eligibility requirements for program participation.
 3. To determine if an individual is paying reasonable compensation for meals and lodging in making a determination of boarder status, only the amount paid for meals shall be used, provided that the amount paid for meals is distinguishable from the amount paid for lodging. A reasonable monthly payment shall be either of the following:
 - i Boarders whose board arrangement is for more than two meals a day shall pay an amount which equals or exceeds the maximum food stamp allotment for the appropriate size of the boarder household or
 - ii Boarders whose board arrangement is for two meals or less per day shall pay an amount which equals or exceeds two-thirds of the maximum food stamp allotment for the appropriate size of the boarder household.
 4. An individual furnished both meals and lodging by a household but paying compensation of less than a reasonable amount to the household for such services shall be considered a member of the household providing the services.
 5. None of the income or resources of individuals determined to be boarders and who are not members of the household providing the boarder services (as described in paragraph (3) of this section) shall be considered available to such household. However, the amount of payment that a boarder gives to a household shall be treated as self-employment income to the household. The procedures for handling self-employment income from boarders (other than such income received by a household that owns and operates a commercial boarding house) are set forth in 273.11(b). The procedures for handling income from boarders by a household that owns and operates a commercial boarding house are set forth in 273.11(a). For program purposes, a commercial boarding house is defined as an establishment licensed as an enterprise which offers meals and lodging for compensation. In project areas without licensing requirements, a commercial boarding house shall be defined as a commercial

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.1d **Date of this Memo** 02/08/1984 **Page** 1 **of** 1

This Memo: **is New** **Replaces one dated** 02/03/1982

QUESTION: Is a student considered a resident of an institution if she/he:

1. Resides in a dormitory or sorority/fraternity house and purchases a meal ticket for the majority of her meals?
2. Resides in a sorority/fraternity house which provides the majority of meals as part of the room and board payment?
3. Resides in a dormitory and purchases a limited meal ticket (e.g., one meal a day, five days a week) or no meal ticket at all?

- ANSWER:**
- A. Yes, she would be considered a resident of an institution as a majority of her/his meals are provided. She/he would not be eligible for food stamps.
 - B. Yes, consider her/him a resident of an institution. The sorority/fraternity house is considered to be part of the school since it's chartered by the school and its' activities would be closely associated with the school. If she/he receives a majority of her/his meals from the sorority/fraternity house she/he would not be eligible for food stamps.
 - C. No. She/he is not receiving a majority of her/his meals from the institution so she/he can participate in the food stamp program.

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establishment which offers meals and lodging for compensation with the intent of making a profit. The number of boarders residing in a boarding house shall not be used to determine if a boarding house is a commercial enterprise.

VERMONT: In Vermont, the Department of Health inspects boarding houses but there is no licensing. Profit making intent would have to be determined by the amount boarders pay, statements by the applicant and boarding house owner, and finally by tax records.

6. Notwithstanding the provisions of paragraphs (c)(1), (c)(2), and (c)(4) of this section, foster care individuals placed in the home of relatives or other individuals or families by a Federal, State, or local governmental foster care program, shall be considered boarders. The Federal, State, or local governmental, or court ordered, foster care payments received by the household for such foster care boarder shall not be considered as available income to the household and such payment is exempt from the computation of net self-employment income from boarders under the provisions of 273.11(b). Foster care boarders may participate in the Program as members of the household providing the boarder services to them, at such household's request. If the household chooses this option, foster care payments received by the household shall be considered unearned income to the household and counted in their entirety in determining the household's income eligibility and benefit level. The provisions of this paragraph (c)(6) do not apply to individuals qualified to participate in the Program under paragraph (e) of this section.
- d. Head of Household (2/1/1995, 95-1)
1. A State agency shall not use the head of household designation to impose special requirements on the household, such as requiring that the head of household, rather than another responsible member of the household, appear at the certification office to make application for benefits. When designating the head of household, the State agency shall allow the household to select an adult parent of children (of any age) living in the household, as the head of household provided that all adult household members agree to the selection. The State shall permit such households to select their head at each certification action or whenever there is a change in household composition.

The State agency shall provide written notice to all households at the time of application and as otherwise appropriate that specifies the household's right to select its head of household in accordance with this paragraph. The written notice shall identify which households have the option to select their head of household, the circumstances under which a household may change its designation of head of household, and how such changes must be reported to the State agency.

If all adult household members do not agree to the selection or decline to select an adult parent as the head of household, the State agency may designate the head of household or permit the household to make another selection. In no event shall the household's failure to select an adult parent of children or an adult who has parental control over children as the head of household delay the certification or result in the denial of benefits of an otherwise eligible household.

For households that do not consist of adult parents and children or adults who have parental control of children living in the household, the State agency shall designate the head of household or permit the household to do so.
 2. For purposes of failure to comply with 273.7 and 273.22 (to the extent that workfare programs operated under this paragraph are included as components of State agency E&T programs), the head of household shall be the principal wage earner unless the household has selected an adult parent of children as specified in 273.1(d)(1). The principal wage earner

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.1e1 and 273.11e1 Effective date of this memo 5/3/2017 Page 1

This memo: is new Replaces one dated 4/3/2012 and 4/5/2013

Exception to the Institution Rule: Drug and Alcohol Treatment and Rehabilitation Programs

Residents of the following facilities who are participating in drug and alcohol treatment programs may be eligible for 3SVT benefits even though they are living in an institution. These facilities are exempt under 273.1e1ii because they operate drug and alcohol treatment and rehabilitation programs.

- Magee House
- Maple Leaf
- Phoenix House
- Serenity House
- Rise
- Teen Challenge **
- Valley Vista

If you have a 3SVT applicant living in a drug and alcohol treatment and rehabilitation facility not listed here please send an email to AHS - DCF ESD AOPS. AOPS will determine whether that facility qualifies for the exemption.

** It is not unusual for Teen Challenge participants to move back and forth between VT, NH and MA. Before granting 3SVT be sure they are not receiving SNAP benefits in New Hampshire and Massachusetts.

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shall be the household member (including excluded members) who is the greatest source of earned income in the two months prior to the month of violation. This provision applies only if the employment involves 20 hours or more per week or provides weekly earnings at least equivalent to the Federal minimum wage multiplied by 20 hours. No person of any age living with a parent or person fulfilling the role of a parent who is:

- i registered for work, or
- ii exempt from work registration requirements because such parent or person fulfilling the role of a parent is:
 - A. subject to and participating in any work requirement under Title IV of the Social Security Act, or
 - B. in receipt of Unemployment Compensation (or has registered for work as part of the application for or receipt of Unemployment Compensation), or
 - C. is employed or self-employed and:
 1. working a minimum of 30 hours weekly, or
 2. receiving weekly earnings equal to the Federal minimum wage multiplied by 30 hours,

shall be considered the head of household unless the person is an adult parent of children as specified in 273.1(d)(1) and the household elects to designate the adult parent as its head of household. If there is no principal source of earned income in the household, the household member, documented in the casefile as the head of household at the time of the violation, shall be considered the head of household. The designation of head of household through the circumstances of this paragraph shall take precedence over a previous designation of head of household at least until the period of ineligibility is ended.

e. Residents of Institutions (3/1/98, 98-4)

1. Individuals shall be considered residents of an institution when the institution provides them with the majority of their meals (over 50% of three meals daily) as part of the institution's normal services. Residents of institutions are not eligible for participation in the program, with the following exceptions:
 - i. Residents of federally subsidized housing for the elderly built under Section 202 of the Housing Act of 1959.
 - ii. Narcotic addicts or alcoholics who, for the purpose of regular participation in a drug or alcohol treatment and rehabilitation program, reside at a facility or treatment center and their children who live with them.
 - iii. Disabled or blind individuals who are residents of group living arrangements (as defined in paragraphs 2 through 11 of the definition of "Elderly or disabled member," contained in 271.2).

INTERPRETIVE MEMO

3SquaresVT Rule Interpretation

Procedure Instruction

This memo remains effective statewide until it is specifically superseded--either by a subsequent interpretive memo or by a contradictory policy with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.1f 2 **Effective date of this memo** 4/5/2013 **Page** _____

This memo: **is new** **Replaces one dated** 12/29/94

QUESTION: Is the child of a resident of a drug or alcohol center who lives with his/her parent in the treatment center eligible for 3SquaresVT?

ANSWER: Yes. In addition, meals served to such children by the centers may be purchased with 3SquaresVT benefits.

Applicants after 9/1/94 should have this change applied. Recipients should have the change applied upon request or at the first review or recertification after 9/1/94. Retroactive benefits to which the household is entitled under this provision should be paid beginning 9/1/94.

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- iv. Women or women with their children temporarily residing in a shelter for battered women and children as defined in 271.2. Such persons temporarily residing in shelters for battered women and children shall be considered individual household units for the purposes of applying for and participating in the Program.
- v. Residents of public or private nonprofit shelters for homeless persons.
- 2. Residents of public institutions who apply for SSI prior to their release from an institution under the Social Security Administration's Prerelease Program for the Institutionalized [42 U. S. C. 1383(j)] shall be permitted to apply for Food Stamps at the same time they apply for SSI. These prerelease applicants shall be processed in accordance with the provisions in 273.2(c),(g),(i),(j), and (k), 273.10(a) and 273.11(i), as appropriate.

f. Authorized Representatives

The head of household, spouse, or any other responsible member of the household may designate an authorized representative to act on behalf of the household in making application for the program, in obtaining benefits, and/or in using benefits at authorized retail food firms and meal services. Rules pertaining to the use of authorized representatives to obtain household benefits or to use household benefits are in 274.5. Rules pertaining to designating authorized representatives to apply for the program are specified in this section.

1. Making Application For The Program

When the head of the household or the spouse cannot make application, another household member may apply or an adult nonhousehold member may be designated as the authorized representative for that purpose. The head of household or the spouse should prepare or review the application whenever possible, even though another household member or the authorized representative will actually be interviewed. In conjunction with those provisions, another household member, or the household's authorized representative, may complete work registration forms for those household members required to register for work. The State agency shall inform the household that the household will be held liable for any overissuance which results from erroneous information given by the authorized representative, except as provided in 273.11(e) and 273.16(a). Adults who are nonhousehold members may be designated as authorized representatives for certification purposes only under the following conditions:

- i. The authorized representative has been designated in writing by the head of household, or the spouse, or another responsible member of the household, and
- ii. The authorized representative is an adult who is sufficiently aware of relevant household circumstances.

VERMONT: Authorized representatives will act in the same capacity in Cash-Out as in the rest of the program.

2. Drug Addict/Alcoholic Treatment Centers And Group Homes As Authorized Representatives

Narcotic addicts or alcoholics who regularly participate in a drug or alcoholic treatment program (as defined in 271.2) and their children who live with them on a resident basis and disabled or blind residents of group living arrangements (as defined in 271.2) who receive benefits under Title II or Title XVI of the Social Security Act may elect to participate in the Food Stamp Program.

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- i The residents of drug or alcoholic treatment centers shall apply and be certified for program participation through the use of an authorized representative who shall be an employee of and designated by the publicly operated community mental health center or the private nonprofit organization or institution that is administering the treatment and rehabilitation program.
- ii Residents of group living arrangements shall either apply and be certified through use of an authorized representative employed and designated by the group living arrangement or apply and be certified on their own behalf or through an authorized representative of their own choice. The group living arrangement shall determine if any resident may apply for food stamps on his/her own behalf; the determination should be based on the resident's physical and mental ability to handle his/her own affairs. The group living arrangement is encouraged to consult with any other agencies of the State providing other services to individual residents prior to a determination. All of the residents of the group living arrangement do not have to be certified either through an authorized representative or individually in order for one or the other method to be used. Applications shall be accepted for any individual applying as a one-person household or for any grouping of residents applying as a household as defined in 273.1. If the residents are certified on their own behalf, the coupon allotment may either be returned to the facility to be used to purchase food for meals served either communally or individually to eligible residents; used by eligible residents to purchase and prepare food for their own consumption; and/or to purchase meals prepared and served by the group living arrangement. In any case, the group living arrangement is responsible for complying with the requirements set forth in 273.11(f). If the group living arrangement has its status as an authorized representative suspended by FNS (as discussed in 273.11(f)(6)), residents applying on their own behalf shall still be able to participate if otherwise eligible.

VERMONT: Treatment centers shall receive the Food Stamp allotment for Cash-Out

3. In the event the only adult living with a household is classified as a nonhousehold member as defined in paragraph (b) of this section, that individual may be the authorized representative for the minor household members.
4. The following restrictions apply to authorized representatives:
 - i State agency employees who are involved in the certification or issuance processes and retailers that are authorized to accept food coupons may not act as authorized representatives without the specific written approval of the designated state agency official and only if that official determines that no one else is available to serve as an authorized representative.

VERMONT: Financial assistance protective payees, including CVP, are hereby specifically approved by the Commissioner's signature in adoption of this policy.

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- ii Individuals disqualified for an intentional program violation shall not act as authorized representatives during the period of disqualification, unless the individual disqualified is the only adult member of the household able to act on its behalf and the state agency has determined that no one else is available to serve as an authorized representative. The state agency shall separately determine whether these individuals are needed to apply on behalf of the household, to obtain coupons, and to use the coupons for food for the household. For example, the household may have an authorized representative to obtain its coupons each month, but not be able to find anyone to purchase food regularly with the coupons. If the state agency also is unable to find anyone to serve as an authorized representative to purchase food regularly with the coupons, the disqualified member shall be allowed to do so.
- iii The State agency shall insure that authorized representatives are properly designated. The name of the authorized representative shall be contained in the household's case file. Limits shall not be placed on the number of households an authorized representative may represent. In the event employers, such as those that employ migrant or seasonal farmworkers, are designated as authorized representatives or that a single authorized representative has access to a large number of coupons, the State agency should exercise caution to assure that: The household has freely requested the assistance of the authorized representative; the household's circumstances are correctly represented and the household is receiving the correct amount of benefits; and that the authorized representative is properly using the coupons. State agencies which have obtained evidence that an authorized representative has misrepresented a household's circumstances and has knowingly provided false information pertaining to the household, or has made improper use of coupons, may disqualify that authorized representative from participating as an authorized representative in the Food Stamp Program for up to one year. The State agency shall send written notification to the affected household(s) and the authorized representative 30 days prior to the date of disqualification. The notification shall include: the proposed action; the reason for the proposed action; the household's right to request a fair hearing; the telephone number of the office; and, if possible, the name of the person to contact for additional information. This provision is not applicable in the case of drug and alcoholic treatment centers and those group homes which act as authorized representatives for their residents.
- iv Homeless meal providers, as defined in 271.2, may not act as authorized representatives for homeless Food Stamp recipients.

g. Strikers

1. Households with striking members shall be ineligible to participate in the Food Stamp Program unless the household was eligible for benefits the day prior to the strike and is otherwise eligible at the time of application. However, such a household shall not receive an increased allotment as the result of the decrease in the income of the striking member(s) of the household.
2. For Food Stamp purposes, a striker shall be anyone involved in a strike or concerted stoppage of work by employees (including a stoppage by reason of expiration of a collective-bargaining agreement) and any concerted slowdown or other concerted interruption of operations by employees. Any employee affected by a lockout, however, shall not be deemed to be a striker. Further, an individual who goes on strike who is exempt from work registration in accordance with 273.7b, the day prior to the strike, other than those exempt solely on the

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grounds that they are employed, shall not be deemed to be a striker. Examples of non-strikers who are eligible for participation in the program include but are not limited to:

- i Employees whose workplace is closed by an employer in order to resist demands of employees (e.g., a lockout);
 - ii Employees unable to work as a result of striking employees (e.g., truckdrivers who are not working because striking newspaper pressmen prevent newspaper from being printed); and
 - iii Employees who are not part of the bargaining unit on strike who do not want to cross a picket line due to fear of personal injury or death.
3. Pre-strike eligibility shall be determined by considering the day prior to the strike as the day of application and assuming the strike did not occur.
 4. Eligibility at time of application shall be determined by comparing the striking member's income before the strike (as calculated for paragraph (3) above) to the striker's current income and adding the higher of the two to the current income of nonstriking members during the month of application. To determine benefits (and eligibility for households subject to the net income eligibility standard), deduction shall be calculated for the month of application as for any other household. Whether the striker's pre-strike earnings are used or his current income is used, the earnings deduction shall be allowed if appropriate.
 5. Strikers whose households are eligible to participate under the criteria in 273.1g shall be subject to the work registration requirements under 273.7 unless exempt under 273.7b the day of application.

Application Processing

273.2 Application Processing (02/01/95, 95-01)

a. General Purpose

The application process includes filing and completing an application form, being interviewed, and having certain information verified. The State agency shall act promptly on all applications and provide Food Stamp benefits retroactive to the month of application to those households that have completed the application process and have been determined eligible. Expedited service shall be available to households in immediate need. Specific responsibilities of households and State agencies in the application process are detailed below.

b. Food Stamp Application Form

1.. Content

Each application form shall contain:

- i In prominent and boldface lettering and understandable terms a statement that the information provided by the applicant in connection with the application for Food Stamp benefits will be subjected to verification by Federal, State and local officials to determine if such information is factual; that if any information is incorrect, Food Stamps may be denied to the applicant; and that the applicant may be subject to criminal prosecution for knowingly providing incorrect information;
- ii In prominent and boldface lettering and understandable terms a description of the civil and criminal provisions and penalties for violations of the Food Stamp Act;
- iii A statement to be signed by one adult household member which certifies, under penalty of perjury, the truth of the information contained in the application including the information concerning citizenship and alien status;
- iv A place on or near the front page of the application where the applicant can write his/her name, address and signature;
- v In plain and prominent language on or near the front page of the application, notification of the household's right to immediately file the application as long as it contains the applicant's name and address and the signature of a responsible household member or the household's authorized representative;
- vi In plain and prominent language on or near the front page of the application, a description of the expedited service provision described in paragraph (i) of this section;
- vii In plain and prominent language on or near the front page of the application, notification that benefits are provided from the date of application.

2. Income and Eligibility Verification System (IEVS)

All applicants for Food Stamp benefits shall be notified at the time of application and at each recertification through a written statement on or provided with the application form that information available through the State income and eligibility verification (IEVS) will be requested, used and may be verified through collateral contact when discrepancies are found by the State agency, and that such information may affect the household's eligibility

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and level of benefits. All applicants shall also be notified on the application form that the alien status of any household member may be subject to verification by INS through the submission of information from the application to INS, and that the submitted information received from INS may affect the household's eligibility and level of benefits.

3. Deviations

All State agencies shall use an application form designed by FNS. FNS may approve a deviation (design/contents) from that form to accommodate the use of a multi-program application form, the requirements of a computer system (including the use of on-line applications), or other exigencies for which the State agency can submit adequate justification, provided the form is brief, understandable to applicants, easy to use, and, for multi-program applications, clear enough to afford applicants the option of answering only those questions relevant to the program or programs for which they are applying. State agencies may request assistance from FNS in the development of a brief, simply-written and readable application, including application forms which cover the Food Stamp Program and the Aid to Needy Families with Dependent Children Program or the Medicaid Program.

4. Privacy Act Statement (07/01/2002, 02-08)

The department shall provide all households applying and being recertified for food stamp benefits with notice of the following information.

- i The collection of application information, including the social security number (SSN) of each household member, is authorized under the Food Stamp Act of 1977, as amended, 7 U. S. C. 2011-2036. The information will be used to determine whether the household is eligible or continues to be eligible to participate in the Food Stamp Program. Information will be verified through computer matching programs. This information will also be used to monitor compliance with program regulations and for program management.
- ii This information may be disclosed to other federal and state agencies for official examination and to law enforcement officials for the purpose of apprehending persons fleeing to avoid the law.
- iii If a food stamp claim arises against a household, the information on the households application, including all SSNs, may be referred to federal and state agencies, as well as private claims collection agencies, for claims collection action.
- iv Providing the requested information, including the SSN of each household member, is voluntary. However, failure to provide this information will result in the denial of food stamp benefits to each individual failing to provide an SSN. Any SSNs provided will be used and disclosed in the same manner as SSNs of eligible household members.

The requirement to provide a SSN to receive benefits may be waived for individuals who are members of a religious organization that objects to furnishing a SSN.

Application Processing

c. Filing An Application (12/5/13, 13-04)

1. Household's Right To File

Households must file Food Stamp applications by submitting the forms to the Food Stamp Office either in person, through an authorized representative, or by mail. The length of time a State agency has to deliver benefits is calculated from the date the application is filed in the Food Stamp Office designated by the State agency to accept the household's application, except when a resident of a public institution is jointly applying for SSI and Food Stamps prior to his/her release from an institution in accordance with 273.1(e)(2).

Residents of public institutions who apply for SNAP benefits prior to their release from the institution shall be certified in accordance with 273.2(g)(1) or 273.2(i)(3)(i), as appropriate. Each household has the right to file an application form on the same day it contacts the SNAP Office during office hours. The household shall be advised that it does not have to be interviewed before filing the application and may file an incomplete application form as long as the form contains the applicant's name and address, and is signed by a responsible member of the household or the household's authorized representative. State agencies shall document the date and application was filed by recording on the application the date it was received by the SNAP Office. When a resident of an institution is jointly applying for SSI and SNAP benefits prior to leaving the institution, the filing date of the application to be recorded by the State Agency on the SNAP application is the date of release of the applicant from the institution.

VERMONT NOTE: Time calculations and dating shall be from date received by a District Office or by the Application Document Processing Center.

VERMONT NOTE: SSI-only households may also apply at the Social Security Office. Time calculations and dating shall be from the date received at Social Security.

2. Contacting the SNAP Office

- i. State Agencies shall encourage households to file an application form the same day the household or its representative contacts the SNAP office in person or by telephone and expresses interest in obtaining SNAP benefits. If a household contacting the SNAP office by telephone does not wish to come to the appropriate office to file the application that same day and instead prefers receiving an application through the mail, the State Agency shall mail the application form to the household on the same day the telephone request is received. An application shall also be mailed on the same day a written request for food assistance is received.
- ii. Where a project area has designated certification offices to serve specific geographic areas, households may contact an office other than the one designated to service the area in which they reside. When a household contacts the wrong certification office within a project area in person or by telephone, the certification office shall, in addition to meeting the requirements in paragraph (c)(2)(i) of this section, give the household the address and telephone number of the appropriate office. The certification office shall also offer to forward the household's application to the appropriate office that same day if the household has completed enough information on the application to file. The household shall be informed that its application will not be considered filed and the processing standards shall not begin until the application is received by the

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appropriate office. If the household has mailed its application to the wrong office within a project area, the certification office shall mail the application to the appropriate office on the same day.

- iii. In State Agencies that elect to have statewide residency, as provided in 273.3, the application processing timeframes begin when the application is filed in any SNAP office in the State.

3. Availability of the Application Form

The State Agency shall make application forms readily accessible to potentially eligible households. The State Agency shall also provide an application form to anyone who requests the form.

VERMONT NOTE: Applications will be made readily available to those groups and organizations involved in outreach efforts.

4. Notice of right to file

The State agency shall post signs in the certification office which explain the application processing standards and the right to file an application on the day of initial contact. The State agency shall include similar information about same day filing on the application form.

5. Notice of Required Verification

The State agency shall provide each household at the time of application for certification and recertification with a notice that informs the household of the verification requirements the household must meet as part of the application process. The notice shall also inform the household of the State agency's responsibility to assist the household in obtaining required verification provided the household is cooperating with the State agency as specified in (d)(1) of this section. The notice shall be written in clear and simple language and shall meet the bilingual requirements designated in 272.4(b) of this chapter. At a minimum, the notice shall contain examples of the types of documents the household should provide and explain the period of time the documents should cover.

6. Withdrawing application

The household may voluntarily withdraw its application at any time prior to the determination of eligibility. The State agency shall document in the case file the reason for withdrawal, if any was stated by the household, and that contact was made with the household to confirm the withdrawal. The household shall be advised to its right to reapply at any time subsequent to a withdrawal.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.2d Date of this Memo 10/05/1988 Page 1 of 1

This Memo: is New Replaces one dated _____

QUESTION: The 7/1/88 Interpretive Memo says to document outright refusal to cooperate. How do I do this?

ANSWER: document the following facts in the case record:

- A. The action the household was asked to take; e.g. appear for an interview, verify gross income, etc.
- B. That the action is necessary to determine eligibility.
- C. That the household is capable of taking the needed action; e.g. they live two blocks from the District Office and would not come to an office interview, they do have wage stubs to verify gross income, etc.
- D. That the department has, on certain dates, informed the household of what actions they need to take and the consequences of not taking these actions by a certain date. (forms 202V and 2020V2 or forms 202RL and 202RL2)
- E. That the household has indicated verbally or in writing, or by not responding to the department's requests for cooperation (#4 above), that it chooses not to take action.

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d. Household Cooperation (12/5/13, 13-04)

1. To determine eligibility, the application form must be completed and signed, the household or its authorized representative must be interviewed, and certain information on the application must be verified. If the household refuses to cooperate with the State agency in completing this process, the application shall be denied at the time of refusal. For a determination of refusal to be made, the household must be able to cooperate, but clearly demonstrate that it will not take actions that it can take and that are required to complete the application process. For example, to be denied for refusal to cooperate, a household must refuse to be interviewed not merely failing to appear for the interview. If there is any question as to whether the household has merely failed to cooperate, as opposed to refused to cooperate, the household shall not be denied. The household shall also be determined ineligible if it refuses to cooperate in any subsequent review of its eligibility, including reviews generated by reported changes and applications for recertification. Once denied or terminated for refusal to cooperate, the household may reapply but shall not be determined eligible until it cooperates with the State agency. The State agency shall not determine the household to be ineligible when a person outside the household fails to cooperate with a request for verification. The State agency shall not consider individuals identified as nonhousehold members under 273.1(b)(2) as individuals outside the household.

VERMONT NOTE: For an application or recertification to be considered complete, the applicant or recipient must provide information about whether any members of the household have been convicted of a felony involving possession, use, or distribution of a controlled substance for an act committed after August 22, 1996.

2. In addition, the household shall be determined ineligible if it refuses to cooperate in any subsequent review of its eligibility as a part of a quality control review. If a household is terminated for refusal to cooperate with a quality control reviewer, in accordance with 275.3(c)(5) or 275.12 (g)(1)(ii), the household may reapply but shall not be determined eligible until it cooperates with the quality control reviewer. If a household terminated for refusal to cooperate with a State quality control reviewer reapplies after 95 days from the end of the annual review period, the household shall not be determined ineligible for its refusal to cooperate with a State quality control reviewer during the completed review period, but must provide verification in accordance with 273.2(f)(1)(ix). If a household terminated for refusal to cooperate with a Federal quality control reviewer reapplies after seven months from the end of the annual review period, the household shall not be determined ineligible for its refusal to cooperate with a Federal quality control reviewer during the completed review period, but must provide verification in accordance with 273.2(f)(1)(ix).

NOTE: Policy sections 275.3(c)(5) and 275.12 (g)(1)(ii) are not part of the State policy manual. These sections of Federal regulations explain that refusal to cooperate means that the household must be able to cooperate and is unwilling to do so, after having been given every reasonable opportunity, and that Federal reviews will meet the same standards as State reviews.

Application Processing

e. Interviews (12/5/13, 13-04)

1. All applicant households, including those submitting applications by mail, shall have face-to-face interviews in a SNAP office or other certification site with a qualified eligibility worker prior to initial certification and all recertification. The applicant may bring any person he or she chooses to the interview. The individual interviewed may be the head of household, spouse, any other responsible member of the household, or an authorized representative. The interviewer shall not simply review the information that appears on the application, but shall explore and resolve with the household unclear and incomplete information. Households shall be advised of their rights and responsibilities during the interview, including the appropriate application processing standard and the households' responsibility to report changes. The interview shall be conducted as an official and confidential discussion of household circumstances. The applicant's right to privacy shall be protected during the interview. Facilities shall be adequate to preserve the privacy and confidentiality of the interview.
2. The office interview shall be waived if requested by any household which is unable to appoint an authorized representative and which has no household members able to come to the SNAP Office because they are elderly or disabled as defined in 271.2. The office interview shall also be waived if requested by any household which is unable to appoint an authorized representative and lives in a location which is not served by a certification office. The State agency shall waive the office interview on a case-by-case basis for any household which is unable to appoint an authorized representative and which has no household members able to come to the SNAP Office because of Vermont transportation difficulties or similar hardships which the State agency determines warrants a waiver of the office interview. These hardship conditions include, but are not limited to: Illness, care of a household member, hardships due to residency in a rural area, prolonged severe weather, or work or training hours which prevent the household from participating in an in-office interview. The State agency shall determine if the transportation difficulty or hardship reported by a household warrants a waiver of the office interview and shall document in the case file why a request for a waiver was granted or denied.

VERMONT NOTE:

- Case by case waiver decisions shall be made by the District Director or the Director's designee.
- Unable, as used above, shall not be used to require an applicant to divulge confidential information to a third party if they object to doing so.
- There is no area in Vermont not served by a certification office as provided in 7 CFR 272.5.
- i The State agency has the option of conducting a telephone interview or a home visit for those households for whom the office interview is waived. Home visits shall be used only if the time of the visit is scheduled in advance with the household.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.2f **Date of this Memo** 07/19/1994 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Does the policy at 273.2f 2 iiA apply for verification of alien status?

ANSWER: Yes, a waiver received from the USDA eliminates Vermont’s required participation in the SAVE program. The DSW 202F Citizenship/Legal Alien Statement, is no longer required for Food Stamp applicants or recipients, but its use is recommended in situations where citizenship is questionable. The verification process for alien status at 273.2(f)(2)(i) and (ii) for applicants and recipients must still be followed, but you do not need to submit the alien’s documentation to the Family Services Division for verification with INS.

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SNAP certification may be done in conjunction with a non-scheduled PA home visit. The recipient has the right to refuse the SNAP portion of the interview, but cannot be certified unless all SNAP eligibility factors are met.

VERMONT NOTE: Home visits to persons without a telephone listing screened potentially eligible for expedited service, may be made without advance schedule. The applicant has the right to refuse this nonscheduled interview, but by doing so forfeits their rights to expedited service. The household must subsequently meet interview requirements prior to certification.

SNAP certification may be done in conjunction with a non-scheduled PA home visit. The recipient has the right to refuse the SNAP portion of the interview, but cannot be certified unless all SNAP eligibility factors are met.

ii Waiver of the face-to-face interview does not exempt the household from the verification requirements, although special procedures may be used to permit the household to provide verification and thus obtain its benefits in a timely manner, such as substituting a collateral contact in cases where documentary verification would normally be provided.

iii Waiver of the face-to-face interview shall not affect the length of the household's certification period.

3. The State agency shall schedule all interviews as promptly as possible to insure eligible households receive an opportunity to participate within 30 days after the application is filed. If a household fails to appear for the first interview, the State agency shall attempt to schedule another interview. The interview shall be rescheduled by the State agency without requiring the household to provide good cause for failing to appear. However, if the household does not appear for the rescheduled interview, the State agency need not initiate action to schedule any further interviews unless the household requests that another interview be scheduled.

f. Verification (12/5/13, 13-04)

Verification is the use of third-party information or documentation to establish the accuracy of statements on the application.

1. Mandatory Verification

State agencies shall verify the following information prior to certification for households initially applying:

i Gross Nonexempt Income

Gross nonexempt income shall be verified for all households prior to certification. However, where all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the household and the State agency, and all other sources of verification are unavailable, the eligibility worker shall

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determine an amount to be used for certification purposes based on the best available information.

ii Alien Status

- A. Based on the application, the State agency shall determine if members identified as aliens are eligible aliens, as defined in 273.4(a)(2) through (a)(5), by requiring that the household present verification for each alien member.
- B. Aliens in the categories specified in 273.4(a)(3), (4) and (5) shall present an Immigration and Naturalization Service (INS) form I-551, or such other documents which identify the aliens' immigration status and which the state agency determines are reasonable of the aliens' immigration status.
- C. Aliens in the categories specified in 273.4(a)(2) shall present an INS form I 94: "Arrival Departure Record" or other documents which identify the aliens' immigration status and which the State agency determines are reasonable evidence of the aliens' immigration status. The State agency shall accept the INS form I 94 as verification of eligible alien status only if the form is annotated with section 207, 208, 212(d)(5), or section 243(h) of the Immigration and Nationality Act or if the form is annotated with any one of the following terms or a combination of the following terms: refugee, parolee, paroled, or asylum. An INS form I 94 annotated with any one of the letters (A) through (L) shall be considered verification of ineligible alien status unless the alien can provide other documentation from INS which indicates that the alien is eligible.

If the INS form I 94 does not bear any of the above annotations and the alien has no other verification of alien classification in his or her possession, the State agency shall advise the alien to submit form G 641, Application for Verification of Information from Immigration and Naturalization Service Records, to INS. State agencies shall accept this form when presented by the alien and properly annotated at the bottom by an INS representative as evidence of lawful admission for permanent residence or parole for humanitarian reasons.

The alien shall also be advised that classification under Section 207, 208, 212(d)(5), or 243 (h) of the Immigration and Nationality Act shall result in eligible status; that the alien may be eligible if acceptable verification is obtained; and that the alien may contact INS, as stated previously, or otherwise obtain the necessary verification or, if the alien wishes and signs a written consent, that the State agency will contact INS to obtain clarification of the alien's status. If the alien does not wish to contact INS, the household shall be given the option of withdrawing its application or participating without that member.

- D. The State agency is responsible to offer to contact INS when the alien has an INS document that does not clearly indicate eligible or ineligible alien status. The State agency does not need to offer to contact INS on the alien's behalf when the alien does not provide an INS document. However, when State agencies accept non-INS documentation determined to

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be reasonable evidence of the alien's immigration status as specified in paragraphs (f)(1)(ii)(B), and (C) of this section, the State agency shall photocopy the document and transmit the photocopy to INS for verification. Pending such verification, the State agency shall not delay, deny, reduce or terminate the individual's eligibility for benefits on the basis of the individual's immigration status. The State agency does not need to receive the alien applicant's written consent in order to transmit the photocopy to INS.

- E. The State agency shall provide alien applicants with a reasonable opportunity to submit acceptable documentation of their eligible alien status as of the 30th day following the date of application. A reasonable opportunity shall be at least 10 days from the date of the State agency's request for an acceptable document. When the State agency accepts non-INS documentation as specified in paragraphs (f)(1)(ii)(B), and (C) of this section and fails to provide an alien applicant with a reasonable opportunity as of the 30th day following the date of application, the State agency shall provide the household with benefits no later than 30 days following the date of application provided the household is otherwise eligible.
- F. Except as specified in paragraphs (f)(1)(ii)(F) and (f)(10)(i) of this section, the alien applicant whose status is questionable shall be ineligible until the alien provides acceptable documentation. The income and resources of the ineligible alien shall be treated in the same manner as a disqualified individual set forth in 273.11(c), and shall be considered available in determining the eligibility of any remaining members.

iii Utility Expenses

The State agency shall verify a household's utility expenses if the household wishes to claim expenses in excess of the State agency's utility standard and the expense would actually result in a deduction. If the household's actual utility expenses cannot be verified before the 30 days allowed to process the application expire, the State agency shall use the standard utility allowance provided the household is entitled to use the standard as specified in Section 273.9(d). If the household wishes to claim expenses for an unoccupied home, the State agency shall verify the household's actual utility expenses for the unoccupied home in every case and shall not use the standard utility allowance.

iv Medical Expenses

The amount of any medical expenses (including the amount of reimbursements) deductible under 273.9(d)(3) shall be verified prior to initial certification. Verification of other factors, such as the allowability of services provided or the eligibility of the person incurring the cost, shall be required if questionable.

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v. Social Security Numbers

The State agency shall verify the Social Security Number(s) (SSN) reported by the household by submitting them to the Social Security Administration (SSA) for verification according to procedures established by SSA. The State agency shall not delay certification for issuance of benefits to an otherwise eligible household solely to verify the SSN of a household member.

Once an SSN has been verified, the State shall make a permanent annotation to its file to prevent the unnecessary reverification of the SSN in the future. State agencies shall accept as verified a SSN which has been verified by another program participating in the IEVS described in 272.8. If an individual is unable to provide a SSN or does not have a SSN, the State Agency shall require the individual to submit Form SS 5, Application for a Social Security Number, to the SSA in accordance with procedures in 273.6. A completed SSA Form 2853 shall be considered proof of application for a SSN for a newborn infant.

VERMONT NOTE: Section 272.8 is a section of the Code of Federal Regulations (CFR) that is not a part of the 3SquaresVT Rules Manual. It details State requirements for an Income and Eligibility Verification System (IEVS).

vi. Residency

The residency requirements of 273.3 shall be verified except in unusual cases (such as homeless households, some migrant farm worker households or households newly arrived in a project area) where verification of residency cannot reasonably be accomplished. Verification of residency should be accomplished to the extent possible in conjunction with the verification of other information such as, but not limited to, rent and mortgage payments, utility expenses, and identity. If verification cannot be accomplished in conjunction with the verification of other information, then the State Agency shall use a collateral contact or other readily available documentary evidence. Documents used to verify other factors of eligibility should normally suffice to verify residency as well. Any documents or collateral contact which reasonably establishes the applicant's residency must be accepted and no requirement for a specific type of verification may be imposed. No durational residency requirement shall be established.

vii. Identity

The identity of the person making application shall be verified. Where an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household shall be verified. Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact. Examples of acceptable documentary evidence which the applicant may provide include, but are not limited to, a driver's license, a work or school ID, an ID

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for health benefits or for another assistance or social services program, a voter registration card, wage stubs, or a birth certificate. Any documents which reasonably establish the applicant's identity must be accepted, and no requirement for a specific type of document, such as a birth certificate, may be imposed.

viii. Disability

A. The State Agency shall verify disability as defined in 271.2 as follows:

- i. For individuals to be considered disabled under paragraphs (2), (3), and (4) of the definition, the household shall provide proof that the disabled individual is receiving benefits under titles, I, II, X, XIV, or XVI of the Social Security Act.
- ii. For individuals to be considered disabled under paragraph (6) of the definition, the household must present a statement from the Veterans Administration (VA) which clearly indicates that the disabled individual is receiving VA Disability Benefits for a service connected or no service connected disability and that the disability is rated as total or paid at the total rate by VA.
- iii. For individuals to be considered disabled under paragraphs (7) and (8) of the definition, proof by the household that the disabled individual is receiving VA disability benefits is sufficient verification of disability.
- iv. For individuals to be considered disabled under paragraphs (5) and (9) of the definition, the State agency shall use the Social Security Administration's (SSA) most current list of disabilities considered permanent under the Social Security Act for verifying disability. If it is obvious to the caseworker that the individual has one of the listed disabilities, the household shall be considered to have verified disability. If disability is not obvious to the caseworker, the household shall provide a statement from a physician or licensed or certified psychologist certifying that the individual has one of the nonobvious disabilities listed as the means for verifying disability under paragraphs (5) and (9) of the definition.
- v. For individuals to be considered under paragraph (10) of the definition, the household shall provide proof that the individual receives a Railroad Retirement disability annuity from the Railroad Retirement Board and has been determined to qualify for Medicare.
- vi. For individuals to be considered disabled under paragraph (11) of the definition, the household shall provide proof that the individual receives interim assistance benefits pending the receipt of Supplemental Security Income; or disability related medical assistance under Title XIX of the SSA; or disability based State general assistance benefits. The State agency shall verify that the eligibility to receive these benefits is based upon disability or blindness criteria which are at least as stringent as those under Title XVI of the Social Security Act.

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- B. For disability determinations which must be made relevant to the provisions of 273.1(a)(2)(ii), the State agency shall use the SSA's most current list of disabilities as the initial step for verifying if an individual has a disability considered permanent under the Social Security Act. However, only those individuals who suffer from one of the disabilities mentioned in the SSA list who are unable to purchase and prepare meals because of such disability shall be considered disabled for the purpose of this provision. If it is obvious to the caseworker that the individual is unable to purchase and prepare meals because he/she suffers from a severe physical or mental disability, the individual shall be considered disabled for the purpose of the provision even if the disability is not specifically mentioned on the SSA list. If the disability is not obvious to the caseworker, he/she shall verify the disability by requiring a statement from a physician or licensed or certified psychologist certifying that the individual (in the physician's/psychologist's opinion) is unable to purchase and prepare meals because he/she suffers from one of the nonobvious disabilities mentioned in the SSA list or is unable to purchase meals because he/she suffers from some other severe, permanent physical or mental disease or nondisease related disability. The elderly and disabled individual (or his/her authorized representative) shall be responsible for obtaining the cooperation of the individuals with whom he/she resides in providing the necessary income information about the others to the State agency for purposes of this provision.
- ix State agencies shall verify all factors of eligibility for households who have been terminated for refusal to cooperate with a State quality control reviewer, and reapply after 95 days from the end of the annual review period. State agencies shall verify all factors of eligibility for households who have been terminated for refusal to cooperate with a Federal quality control reviewer and reapply after seven months from the end of the annual review period.
- x Household Composition
- State agencies shall verify factors affecting the composition of a household, if questionable. Individuals who claim to be a separate household from those with whom they reside shall be responsible for proving that they are a separate household to the satisfaction of the State agency. Individuals who claim to be a separate household from those with whom they reside based on the various age and disability factors for determining separateness shall be responsible for proving a claim of separateness (at the State agency's request) in accordance with the provisions of 273.2(f)(1)(viii).
- xi Shelter Costs for Homeless Households
- Homeless households claiming shelter expenses greater than the standard estimate of shelter expenses (as defined in 273.9(d)(5)(i)) must provide verification of these shelter expenses. If a homeless household has difficulty obtaining traditional types of verification of shelter costs, the caseworker shall use prudent judgment in determining if the verification obtained is adequate. For example, if a homeless individual claims to have incurred shelter costs for several nights and the costs are comparable to costs typically incurred by homeless people for shelter, the caseworker may decide to accept this information and not require further verification.

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VERMONT NOTE: Homeless households with shelter expenses will provide verification of their actual shelter costs, if questionable. The department does not use a standard estimate of homeless shelter expenses, made optional by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

xii Legal Obligation and Actual Child Support Payments

The State agency shall obtain verification of the household's legal obligation to pay child support, the amount of the obligation, and the monthly amount of child support the household actually pays. Documents that are accepted as verification of the household's legal obligation to pay child support shall not be accepted as verification of the household's actual monthly child support payments. State agencies may and are strongly encouraged to obtain information regarding a household member's child support obligation and payments from Child Support Enforcement (CSE) automated data files. The State agency shall give the household an opportunity to resolve any discrepancy between household verification and CSE records in accordance with paragraph (f)(9) of this section.

2. Verification of Questionable Information

- i The State agency shall verify, prior to certification of the household, all other factors of eligibility which the State agency determines are questionable and affect the household's eligibility and benefit level. The State agency shall establish guidelines to be followed in determining what shall be considered questionable information. These guidelines shall not prescribe verification based on race, religion, ethnic background, or national origin. These guidelines shall not target groups such as migrant farm-workers or American Indians for more intensive verification under this provision.

VERMONT NOTE: Guidelines to be followed in determining what shall be considered questionable will be established as required and will appear in the Procedures Manual.

ii Citizenship

- A. When a household's statement that one or more of its members are U.S. citizens is questionable, the household shall be asked to provide acceptable verification. Acceptable forms of verification include birth certificates, religious records, voter registration cards, certificates of citizenship or naturalization provided by INS, such as identification cards for use of resident citizens in the United States (INS form I 179 or INS form I 197) or U.S. passports. Participation in the TANF Program shall also be considered acceptable verification if verification of citizenship was obtained for that program. If the above forms of verification cannot be obtained and the household can provide a reasonable explanation as to why verification is not available, the State agency shall accept a signed statement from someone who is a U.S. citizen which declares, under penalty of perjury, that the member in question is a U.S. citizen. The signed statement shall contain a warning of the penalties for helping someone commit fraud, such as: If you intentionally give false information to help this person get SNAP benefits, you may be fined, imprisoned, or both.

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- B. The member whose citizenship is in question shall be ineligible to participate until proof of U.S. citizenship is obtained. Until proof of U.S. citizenship is obtained, the member whose citizenship is in question will have his or her income, less a pro rata share, and all of his or her resources considered available to any remaining household members as set forth in 273.11(c).

3. State Agency Options

In addition to the verification required in paragraphs (f)(1) and (f)(2) of this section, the State agency may elect to mandate verification of any of the other factor which affects household eligibility or allotment level, including household size where not questionable.

- i The State agency may establish its own standards for the use of verification, provided that, at a minimum, all questionable factors are verified in accordance with paragraph (f)(2) of this section and that such standards do not allow for inadvertent discrimination. For example, no standard may be applied which prescribes variances in verification based on race, religion, ethnic background or national origin, nor may a State standard target groups such as migrant farm workers or American Indians for more intensive verification than other households. The options specified in this paragraph shall not apply in those offices of the Social Security Administration (SSA) which, in accordance with paragraph (k) of this section, provide for the SNAP certification of households containing recipients of Supplemental Security Income (SSI) and Social Security benefits. The State agency, however, may negotiate with those SSA offices with regard to mandating verification of these options.
- ii If a State agency opts to verify a deductible expense and obtaining the verification may delay the household's certification, the State agency shall advise the household that its eligibility and benefit level may be determined without providing a deduction for the claimed but unverified expense. This provision also applies to the allowance of medical expenses as specified in paragraph (f)(1)(iv) of this section. Shelter costs would be computed without including the unverified components. The standard utility allowance shall be used if the household is entitled to claim it and has not verified higher actual costs. If the expense cannot be verified within 30 days of the date of application, the State agency shall determine the household's eligibility and benefit level without providing a deduction of the unverified expense. If the household subsequently provides the missing verification, the State agency shall redetermine the household's benefits, and provide increased benefits, if any, in accordance with the timeliness standards in 273.12 on reported changes. If the expense could not be verified within the 30 day processing standard because the State agency failed to allow the household sufficient time, as defined in paragraph (h)(1) of this section, to verify the expense, the household shall be entitled to the restoration of benefits retroactive to the month of application, provided that the missing verification is supplied in accordance with paragraph (h)(3) of this section. If the household would be ineligible unless the expense is allowed, the household's application shall be handled as provided in paragraph (h) of this section.

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4. Sources of Verification

i Documentary Evidence

State agencies shall use documentary evidence as the primary source of verification for all items except residency and household size. These items may be verified either through readily available documentary evidence or through a collateral contact without a requirement being imposed that documentary evidence must be the primary source of verification. Documentary evidence consists of a written confirmation of a household's circumstances. Examples of documentary evidence include wage stubs, rent receipts, and utility bills. Although documentary evidence shall be the primary source of verification, acceptable verification shall not be limited to any single type of document and may be obtained through the household or other source. Whenever documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level, the eligibility worker may require collateral contacts or home visits. For example, documentary evidence may be considered insufficient when the household presents pay stubs which do not represent an accurate picture of the household's income (such as outdated pay stubs) or identification papers appear to be falsified.

ii Collateral Contacts

A collateral contact is a verbal confirmation of a household's circumstances by a person outside of the household. The collateral contact may be made either in person or over the telephone. The State agency may select a collateral contact if the household fails to designate one or designates one which is unacceptable to the State agency. Examples of acceptable collateral contacts may include employers, landlords, social service agencies, migrant service agencies, and neighbors of the household who can be expected to provide accurate third party verification.

iii Home Visits

Home visits may be used as verification only when documentary evidence is insufficient to make a firm determination of eligibility or benefit level, or cannot be obtained, and the home visit is scheduled in advance with the household.

iv Discrepancies

Where unverified information from a source other than the household contradicts statements made by the household, the household shall be afforded a reasonable opportunity to resolve the discrepancy prior to a determination of eligibility or benefits. The State agency may, if it chooses, verify the information directly and contact the household only if such direct verification efforts are unsuccessful. If the unverified information is received through the IEVS, as specified in 272.8, the State agency may obtain verification from a third party as specified in paragraph (f)(9)(v) of this section.

VERMONT NOTE: Section 272.8 is a section of the Code of Federal Regulations (CFR) that is not a part of the 3SquaresVT Policy Manual. It details State requirements for an Income and Eligibility Verification System (IEVS).

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5. Responsibility for Obtaining Verification

- i The household has primary responsibility for providing documentary evidence to support statements on the application and to resolve any questionable information. The State agency shall assist the household in obtaining this verification provided the household is cooperating with the State agency as specified under paragraph (d)(1) of this section. Households may supply documentary evidence in person, through the mail, or through an authorized representative. The State agency shall not require the household to present verification in person at the SNAP Office. The State agency shall accept any reasonable documentary evidence provided by the household and shall be primarily concerned with how adequately the verification proves the statements on the application.
- ii Whenever documentary evidence is insufficient to make a firm determination of eligibility or benefit level, or cannot be obtained, the State agency may require a collateral contact or a home visit. The State agency, generally, shall rely on the household to provide the name of any collateral contact. The household may request assistance in designating a collateral contact. The State agency is not required to use a collateral contact designated by the household if the collateral contact cannot be expected to provide an accurate third party verification. When the collateral contact designated by the household is unacceptable, the State agency shall either designate another collateral contact, ask the household to designate another collateral contact or to provide an alternative form of verification or substitute a home visit. The State agency is responsible for obtaining verification from acceptable collateral contacts.

6. Documentation

Case files must be documented to support eligibility, ineligibility, and benefit level determinations. Documentation shall be in sufficient detail to permit a reviewer to determine the reasonableness and accuracy of the determination.

7. State Data Exchange (SDX) and Beneficiary Data Exchange (BENDEX)

- i The State agency may verify SSI benefits through the State Data Exchange (SDX), and Social Security benefit information through the Beneficiary Data Exchange (BENDEX), or through verification provided by the household. The State agency may also use SDX and BENDEX data to verify other SNAP eligibility criteria. The State agency may access SDX and BENDEX data without release statements from households, provided the State agency makes the appropriate data request to SSA and executes the necessary data exchange agreements with SSA. The household shall be given an opportunity to verify the information from another source if the SDX or BENDEX information is contradictory to the information provided by the household or is unavailable. Determination of the household's eligibility and benefit level shall not be delayed past the application processing time standards of paragraph (g) of this section if SDX or BENDEX data is unavailable.

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8. Verification Subsequent to Initial Certification

i Recertification

- A. At recertification, the State agency shall verify a change in income or actual utility expenses if the source has changed or the amount has changed by more than \$25. Previously unreported medical expenses and total recurring medical expenses which have changed by more than \$25 shall also be verified at recertification.

The State agency shall not verify income if the source has not changed and if the amount is unchanged or has changed by \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated. The State agency shall also not verify total medical expenses, or actual utility expenses claimed by households which are unchanged or have changed by \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated. The State agency shall require a household eligible for the child support deduction to verify any changes in the legal obligation to pay child support, the obligated amount, and the amount of legally obligated child support a household member pays to a nonhousehold member. The State agency shall verify reportedly unchanged child support information only if the information is incomplete, inaccurate, inconsistent or outdated.

- B. Newly obtained Social Security numbers shall be verified at recertification in accordance with verification procedures outlined in 273.2(f)(1)(v).
- C. Other information which has changed may be verified at recertification. Unchanged information shall not be verified unless the information is incomplete, inaccurate, inconsistent or outdated. Verification under this paragraph shall be subject to the same verification procedures as apply during initial verification.

ii Changes

Changes reported during the certification period shall be subject to the same verification procedures as apply at initial certification, except that the State agency shall not verify changes in income if the source has not changed and if the amount has changed \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated. The State agency shall also not verify total medical expenses or actual utility expenses which are unchanged or have changed \$25 or less, unless the information is incomplete, inaccurate, inconsistent or outdated.

VERMONT NOTE: If both members of a household indicate wage raises, and the combined raises total an income increase more than \$25, the wages must be verified and documented. Similar increases in utility costs do not need to be verified if the household uses the fuel and utility standard deduction or if the utility increases do not result in a deduction.

9. Use if IEVS

- i The State agency shall use information obtained through the IEVS to verify the eligibility and benefit level of applicant and participating households, in accordance with procedures specified in 272.8.

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VERMONT NOTE: Section 272.8 is a section of the Code of Federal Regulations (CFR) that is not a part of the 3SquaresVT Policy Manual. It details State requirements for an Income and Eligibility Verification System (IEVS).

- ii The State agency may access data through the IEVS provided the disclosure safeguards and data exchange agreements required by Part 272 are satisfied.

VERMONT NOTE: Part 272 is a part of the Code of Federal Regulations (CFR) that is not in the 3SquaresVT Policy Manual. It details requirements for participating State agencies.

- iii The State agency shall take action, including proper notices to households, to terminate, deny, or reduce benefits based on information obtained through the IEVS which is considered verified upon receipt. This information is Social Security and SSI benefit information obtained from SSA and TANF benefit information and UIB information obtained from the agencies administering those programs. If the State agency has information that the IEVS obtained information about a particular household is questionable, this information shall be considered unverified upon receipt and the State agency shall take action as specified in paragraph (f)(9)(iv) of this section.
- iv Except as noted in this paragraph, prior to taking action to terminate, deny, or reduce benefits based on information obtained through the IEVS which is considered unverified upon receipt, State agencies shall independently verify the information. Such unverified information is unearned income information from IRS, wage information from SSA and SWICAs, and questionable IEVS information discussed in paragraph (f)(9)(iii) of this section.
- v Independent verification shall include verification of the amount of the asset or income involved, whether the household actually has or had access to such asset or income such that it would be countable income or resources for SNAP purposes, and the period during which such access occurred. Except with respect to unearned income information from IRS, if a State agency has information which indicates that independent verification is not needed, such verification is not required.
- vi The State agency shall obtain independent verification of unverified information obtained from IEVS by means of contacting the household and/or the appropriate income, resource or benefit source. If the State agency chooses to contact the household, it must do so in writing, informing the household of the information which it has received, and requesting that the household respond within 10 days. If the household fails to respond in a timely manner, the State agency shall send it a notice of adverse action as specified in 273.13. The State agency may contact the appropriate source by the means best suited to the situation. When the household or appropriate source provides the independent verification, the State agency shall properly notify the household of the action it intends to take and provide the household with an opportunity to request a fair hearing prior to any adverse action.

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10. Use of SAVE

When participating in the INS SAVE Program to verify the validity of documents presented by applicant aliens, State agencies shall use the following procedures:

- i The State agency shall provide an applicant alien with a reasonable opportunity to submit acceptable documentation of their eligible alien status prior to the 30th day following the date of application. A reasonable opportunity shall be at least 10 days from the date of the State agency's request for an acceptable document. An alien who has been given a reasonable opportunity to submit acceptable documentation and has not done so as of the 30th day following the date of application shall not be certified for benefits until acceptable documentation has been submitted. However, if the 10 day reasonable opportunity period by the State agency does not lapse before the 30th day following the date of application, the State agency shall provide the household with benefits no later than 30 days following the date of application provided the household is otherwise eligible.
- ii The written consent of the alien applicant shall not be required as a condition for the State agency to contact INS to verify the validity of documentation.
- iii State agencies which access the ASVI database through an automated access shall also submit INS Form G 845, with an attached photocopy of the alien's document to INS whenever the initial automated access does not confirm the validity of the alien's documentation or a significant discrepancy exists between the data provided by the ASVI and the information provided by the applicant. Pending such responses from either the ASVI or INS Form G 845, the State agency shall not delay, deny, reduce, or terminate the alien's eligibility for benefits on the basis of the individual's alien status.
- iv If the State agency determines, after complying with the requirements of this section, that the alien is not in an eligible alien status, the State agency shall take action, including proper notices to the household, to terminate, deny or reduce benefits. The State agency shall provide households the opportunity to request a fair hearing under 273.15 prior to any adverse action.
- v The use of SAVE shall be documented in the case file or other agency records. When the State agency is waiting for a response from SAVE, agency records shall contain either a notation showing the date of the State agency's transmission or a copy of the INS Form G 845 sent to INS. Once the SAVE response is received, agency records shall show documentation of the ASVI Query Verification Number or contain a copy of the INS annotated Form G 845. Whenever the response from automated access to the ASVI directs the eligibility worker to initiate secondary verification, agency records shall show documentation of the ASVI Query Verification Number and contain a copy of the INS Form G 845.

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g. Normal Processing Standard (12/5/13, 13-04)

1. Thirty-Day Processing

The State agency shall provide eligible households that complete the initial application process an opportunity to participate [as defined in 274.2(b)] as soon as possible, but no later than 30 calendar days following the date the application was filed, except for residents of public institutions who apply jointly for SSI and SNAP benefits prior to release from the institution in accordance with 273.1(e)(2). An application is filed the day the appropriate SNAP Office receives an application containing the applicant's name and address, which is signed by either a responsible member of the household or the household's authorized representative. Households entitled to expedited processing are specified in paragraph (i) of this section. For residents of public institutions who apply for SNAP benefits prior to their release from the institution in accordance with 273.1(e)(2), the State agency shall provide an opportunity to participate as soon as possible but no later than 30 calendar days from the date of release of the applicant from the institution.

VERMONT NOTE: For instance, if an application is received on June 1st, notice of benefits would have to be mailed by June 28th (allowing two days for delivery) to provide the household an opportunity to participate within 30 days.

VERMONT NOTE: If processing is delayed, see section 273.2(h)(3).

2. Combined allotments

Households which apply for initial month benefits (as described in 273.10(a) after the 15th of the month, are processed under normal processing timeframes, have completed the application process within 30 days of the date of application, and have been determined eligible to receive benefits for the initial month of application and the next subsequent month, may be issued a combined allotment at State agency option which includes prorated benefits for the month of application and benefits for the first full month of participation. The benefits shall be issued in accordance with 274.2(c) of this chapter.

VERMONT NOTE: Vermont does not choose this option.

3. Denying The Application

Households that are found to be ineligible shall be sent a notice of denial as soon as possible but no later than 30 days following the date the application was filed. If the household has failed to appear for two scheduled interviews and has made no subsequent contact with the State agency to express interest in pursuing the application, the State agency shall send the household a notice of denial on the 30th day following the date of application. The household must file a new application if it wishes to participate in the program. In cases where the State agency was able to conduct an interview and request all of the necessary verification on the same day the application was filed, no subsequent requests for verification have been made, the State agency may also deny the application on the 30th day if the State agency provided assistance to the household in obtaining verification as specified in paragraph (f)(5) of this section, but the household failed to provide the requested verification.

Application Processing

VERMONT NOTE: The denial option has been adopted. Vermont will deny households at the end of 30 days for failure to provide requested verification if the interview and request for needed verification has taken place within 10 calendar days of the date the application was received along with an offer of assistance if the applicant is having a problem in obtaining the verification. No further action is required after the notice of denial is sent, but in accordance with 273.2(h)(2)(i)(A), if verification is provided after 30 days but before 60 days, the case will be reopened without requiring a new application. If eligible, benefits would commence from the thirty-first calendar day following the date the application was received and the household would not be entitled to benefits for the month of application.

h. Delays In Processing (12/5/13, 13-04)

If the State agency does not determine a household's eligibility and provide an opportunity to participate within 30 days following the date the application was filed, the State agency shall take the following action:

1. Determining Cause

The State agency shall first determine the cause of the delay using the following criteria:

- i A delay shall be considered the fault of the household if the household has failed to complete the application process even though the State agency has taken all the action it is required to take to assist the household. The State agency must have taken the following actions before a delay can be considered the fault of the household:
 - A. For households that have failed to complete the application form, the State agency must have offered, or attempted to offer, assistance in its completion.
 - B. If one or more members of the household have failed to register for work, as required in 273.7, the State agency must have informed the household of the need to register for work and given the household at least 10 days from the date of notification to register these members.
 - C. In cases where verification is incomplete, the State agency must have provided the household with a statement of required verification and offered to assist the household in obtaining required verification and allowed the household sufficient time to provide the missing verification. Sufficient time shall be at least 10 days from the date of the State agency's request for the particular verification that was missing.
 - D. For households that have failed to appear for an interview, the State agency must have attempted to reschedule the initial interview within 30 days following the date the application was filed. However, if the household has failed to appear for the first interview and a subsequent interview is postponed at the household's request or cannot otherwise be rescheduled until after the 20th day but before the 30th day following the date the application was filed, the household must appear for the interview, bring verification, and register members for work by the 30th day; otherwise, the delay shall be the fault of the household.

Application Processing

If the household has failed to appear for the first interview and a subsequent interview is postponed at the household's request until after the 30th day following the date the application was filed, the delay shall be the fault of the household. If the household has missed both scheduled interviews and requests another interview, any delay shall be the fault of the household.

- ii Delays that are the fault of the State agency include, but are not limited to, those cases where the State agency failed to take the actions described in paragraphs (h)(1)(i) (A) through (D) of this section.

2. Delays Caused By The Household

- i If by the 30th day the State agency cannot take any further action on the application due to the fault of the household, the household shall lose its entitlement to benefits for the month of application. However, the State agency shall give the household an additional 30 days to take the required action.

- A. The State agency will send the household a notice of pending status on the 30th day. No further action by the State agency is required after the notice of pending status is sent if the household fails to take the required action within 60 days of the date the application was filed. However, if a notice of denial is sent and the household takes the required action within 60 days following the date the application was filed, the State agency shall reopen the case without requiring a new application. No further action by the State agency is required after the notice of denial or pending status is sent if the household failed to take the required action within 60 days following the date the application was filed, or if the State agency chooses the option of holding the application pending for only 30 days following the date of the initial request for the particular verification that was missing, and the household fails to provide the necessary verification by this 30th day.

VERMONT NOTE: The option of denial on the 30th day has been selected, if the delay was caused by the household. If the notice of denial is sent and the household takes the required action within 60 days following the date the application was filed, the case shall be reopened without requiring a new application. If eligible, benefits would commence from the thirty-first calendar day following the date the application was received and the household would not be entitled to benefits for the month of application. If the notice of denial was sent and the household failed to take the required action within 60 days following the date the application was filed, no further action by the Department is required.

- B. State agencies may include in the notice a request that the household report all changes in circumstances since it filed its application. The information that must be contained on the notice of denial or pending status is explained in §273.10(g)(1) (ii) and (iii).

Application Processing

- ii If the household was at fault for the delay in the first 30-day period, but is found to be eligible during the second 30-day period, the State agency shall provide benefits only from the month following the month of application. The household is not entitled to benefits for the month of application when the delay was the fault of the household.

3. Delays Caused By The State Agency

- i Whenever a delay in the initial 30-day period is the fault of the State agency, the State agency shall take immediate corrective action. Except as specified in 273.2(f)(1)(ii)(F) and 273.2(f)(10)(i), the State agency shall not deny the application if it caused the delay, but shall instead notify the household by the 30th day following the date the application was filed that its application is being held pending. The State agency shall also notify the household of any action it must take to complete the application process.
- ii If the household is found to be eligible during the second 30-day period, the household shall be entitled to benefits retroactive to the month of application. If, however, the household is found to be ineligible, the State agency shall deny the application.

4. Delays Beyond 60 Days

- i If the State agency is at fault for not completing the application process by the end of the second 30-day period, and the case file is otherwise complete, the State agency shall continue to process the original application until an eligibility determination is reached. If the household is determined eligible, and the State agency was at fault for the delay in the initial 30 days, the household shall receive benefits retroactive to the month of application. However, if the initial delay was the household's fault, the household shall receive benefits retroactive only to the month following the month of application. The State agency will use the original application to determine the household's eligibility in the months following the 60- day period.
- ii If the State agency is at fault for not completing the application process by the end of the second 30-day period, but the case file is not complete enough to reach an eligibility determination, the State agency will continue to process the original application. If the State agency was also at fault for the delay in the initial 30 days, the amount of benefits lost would be calculated from the month of application. If, however, the household was at fault for the initial delay, the amount of benefits lost would be calculated from the month following the month of application. Vermont - "will" replaces "may" in CFR and other option deleted as not applicable.
- iii If the household is at fault for not completing the application process by the end of the second 30-day period the State agency shall deny the application and require the household to file a new application if it wishes to participate. A notice of denial need not be sent if the notice of pending status informed the household that it would have to file a new application if verification was not received within 30 days following the date of the initial request. The household shall not be entitled to any lost benefits, even if the delay in the initial 30 days was the fault of the State agency.

Application Processing

i. Expedited Service (12/5/13, 13-04)

1.. Entitlement To Expedited Service

The following households are entitled to expedited service:

- i Households with less than \$150 in monthly gross income as computed in 273.10 provided their liquid resources (i.e., cash on hand, checking or savings accounts, savings certificates, and lump sum payments as specified in 273.9[c][8]) do not exceed \$100:
- ii Migrant or seasonal farmworker households who are destitute as defined in 273.10(e)(3) provided their liquid resources (i.e., cash on hand, checking or savings accounts, savings certificates, and lump sum payments as specified in 273.9[c][8]) do not exceed \$100:
- iii Households whose combined monthly gross income and liquid resources are less than the household's monthly rent or mortgage, and utilities (including entitlement to a SUA, as appropriate, in accordance with 273.9[d]).

2. Identifying Households Needing Expedited Service

The State agency's application procedures shall be designed to identify households eligible for expedited service at the time the household requests assistance. For example, a receptionist, volunteer, or other employee shall be responsible for screening applications as they are filed or as individuals come in to apply.

3. Processing Standards

All households receiving expedited service, except those receiving it during months in which allotments are suspended or canceled, shall have their cases processed in accordance with the following provisions. Those households receiving expedited service during suspensions or cancellations shall have their cases processed in accordance with the provisions of 271.7(e)(2).

i General

For households entitled to expedited service, the State agency shall make SNAP benefits available to the recipient no later than the seventh calendar day following the date an application was filed. For the resident of a public institution who applies for benefits prior to his/her release from the institution in accordance with 273.1(e)(2) and who is entitled to expedited service, the date of filing his/her SNAP application is the date of release of the applicant from the institution. (The remainder of this paragraph referencing EBT cards has been omitted.)

ii Drug Addicts and Alcoholics, Group Living Arrangement Facilities

For residents of drug addiction or alcoholic treatment and rehabilitation centers and residents of group living arrangements who are entitled to expedited service, the State Agency shall make SNAP benefits available to the recipient no later than the seventh calendar day following the date the application was filed.

Application Processing

iii Out-Of-Office Interviews

If a household is entitled to expedited service and is also entitled to a waiver of the office interview, the State agency shall conduct the interview (unless the household cannot be reached) and complete the application process within the expedited service standards. The first day of this count is the calendar day following application filing. If the State agency conducts a telephone interview and must mail the application to the household for signature, the mailing time involved will not be calculated in the expedited service standards. Mailing time shall only include the days the application is in the mail to and from the household and the days the application is in the household's possession pending signature and mailing.

iv Late Determinations

If the prescreening required in paragraph (i)(2) of this section fails to identify a household as being entitled to expedited service and the State agency subsequently discovers that the household is entitled to expedited service, the State agency shall provide expedited service to households within the processing standards described in paragraph (i)(3)(i) and (ii) of this section, except that the processing standard shall be calculated from the date the State agency discovers the household is entitled to expedited service.

v Residents of Shelters For Battered Women And Children

Residents of shelters for battered women and children who are otherwise entitled to expedited service shall be handled in accordance with the time limits in paragraph (i)(3)(i) of this section.

4. Special Procedures For Expediting Service

i In order to expedite the certification process, the State agency shall use the following procedures:

- A. In all cases, the applicant's identity (i.e., the identity of the person making the application) shall be verified through a collateral contact or readily available documentary evidence as specified in paragraph (f)(1) of this section.
- B. All reasonable efforts shall be made to verify within the expedited processing standards, the household's residency in accordance with 273.2(f)(1)(vi), income statement (including a statement that the household has no income), liquid resources and all other factors required by 273.2(f), through collateral contacts or readily available documentary evidence. However, benefits shall not be delayed beyond the delivery standards prescribed in paragraph (i)(3) of this section, solely because these eligibility factors have not been verified.

State agencies should attempt to obtain as much additional verification as possible during the interview, but should not delay the certification of households entitled to expedited service for the full timeframes specified in paragraph (i)(3) of this section when the State agency has determined it is unlikely that other verification can be obtained within these timeframes.

Application Processing

Households entitled to expedited service will be asked to furnish a Social Security number for each person or apply for one for each person before recertification. Those household members unable to provide the required SSNs or who do not have one prior to recertification shall be allowed to continue to participate only if they satisfy the good cause requirements with respect to SSNs specified in 273.6(d), except that households with a newborn may have up to 6 months following the month the baby was born to supply an SSN or proof of an application for an SSN for the newborn in accordance with 273.6(b)(4).

With regard to the work registration requirements specified in 273.7, the State agency shall, at a minimum, require the applicant to register [unless exempt or unless the household has designated an authorized representative to apply on its behalf in accordance with 273.1(f)]. The State agency may attempt to register other household members but shall postpone the registration of other household members if it cannot be accomplished within the expedited service timeframes. The State agency may attempt registration of other household members by requesting that the applicant complete the work registration forms for other household members to the best of his or her ability. The State agency may also attempt to accomplish work registration for other household members in a timely manner through other means, such as calling the household. The State agency may attempt to verify questionable work registration exemptions, but such verification shall be postponed if the expedited service timeframes cannot be met.

- ii Once an acceptable collateral contact has been designated, the State agency shall promptly contact the collateral contact in accordance with the provisions of paragraph (f)(4)(ii) of this section. Although the household has the primary responsibility for providing other types of verification, the State agency shall assist the household in promptly obtaining the necessary verification.
 - iii Households that are certified on an expedited basis and have provided all necessary verification required in paragraph (f) of this section prior to certification shall be assigned a normal certification period. If verification was postponed, the State agency may certify these households for the month of application (the month of application and the subsequent month for those households applying after the 15th of the month) or, at the State agency's option, may assign a normal certification period to those households whose circumstances would otherwise warrant a longer certification period. State agencies, at their option, may request any household eligible for expedited service which applies after the 15th of the month and is certified for the month of application and the subsequent month only to submit a second application (at the time of the initial certification) if the household's verification is postponed.
- A. For households applying on or before the 15th of the month, the State agency may assign a one-month certification period or assign a normal certification period. Satisfaction of the verification requirements may be postponed until the second month of participation. If a one-month certification period is assigned, the notice of eligibility may be combined with the notice of expiration or a separate notice may be sent. The notice of eligibility must explain that the household has to satisfy all verification requirements that were postponed.

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For subsequent months, the household must reapply and satisfy all verification requirements which were postponed or be certified under normal processing standards. If the household does not satisfy the postponed verification requirements and does not appear for the interview, the State agency does not need to contact the household again.

- B. For households applying after the 15th of the month, the State agency may assign a 2-month certification period or a normal certification period of no more than 12 months or, 24 months if all members of the household are elderly or disabled. Verification may be postponed until the third month of participation, if necessary, to meet the expedited timeframe. If a two-month certification period is assigned, the notice of eligibility may be combined with the notice of expiration or a separate notice may be sent. The notice of eligibility must explain that the household is obligated to satisfy the verification requirements that were postponed. For subsequent months, the household must reapply and satisfy the verification requirements which were postponed or be certified under normal processing standards. If the household does not satisfy the postponed verification requirements and does not attend the interview, the State agency does not need to contact the household again. When a certification period of longer than 2 months is assigned and verification is postponed, households must be sent a notice of eligibility advising that no benefits for the third month will be issued until the postponed verification requirements are satisfied. The notice must also advise the household that if the verification process results in changes in the household's eligibility or level of benefits, the State agency will act on those changes without advance notice of adverse action.
- C. Households which apply for initial benefits (as described in 273.10(a)) after the 15th of the month, are entitled to expedited service, have completed the application process, and have been determined eligible to receive benefits for the initial month and the next subsequent month, shall receive a combined allotment consisting of prorated benefits for the initial month of application and benefits for the first full month of participation within the expedited service timeframe. If necessary, verification shall be postponed to meet the expedited timeframe. The benefits shall be issued in accordance with 274.2(c) of this chapter.

VERMONT NOTE: Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Vermont chooses not to implement combined allotments. PRWORA made combined allotments an option that Vermont did not elect.

- D. The provisions of paragraph (i)(4)(iii)(C) of this section do not apply to households which have been determined ineligible to receive benefits for the month of application or the following month, or to households which have not satisfied the postponed verification requirements. However, households eligible for expedited service may receive benefits for the initial month and next subsequent month under the verification standards of paragraph (i)(4) of this section.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.2j Date of this Memo 01/01/2009 Page 1 of 1

This Memo: is New Replaces one dated _____

Eligibility Expansion and Administrative Simplification

As allowed under federal SNAP rules, the department exercises an option to further expand categorical eligibility rules for Non-Public Assistance food stamp (NPA/FS) households, effective January 1, 2009. NPA/FS households are subject to a FS gross income test of 185% and their asset test is eliminated. Receipt of the AHS Screen Door informational bookmark (produced under a cost allocation plan that includes partial funding from the TANF block grant) confers categorical eligibility.

This program expansion will relieve clients of the burden of providing asset information and verifications for 3SquaresVT, the renamed Food Stamp Program. DCF staff will no longer have to request and review asset verifications or explore asset-related matches for these households. This change will increase participation in the program by working families, seniors, and people with disabilities who may have had income above 130% FPL in the past. Additionally, it will save case processing time and reduce quality control errors.

Clients applying for other benefit programs or receiving other benefits in addition to 3SquaresVT are still required to follow those programs' requirements about asset limits and reporting and verifying asset information. Such requests for information and verification should not affect or delay determination of 3SquaresVT eligibility for categorically eligible households

Exceptions to this new categorical eligibility are households in which the entire household is disqualified because one or more of its members failed to comply with the ABAWD work-for-benefits component in accordance with 273.22, or the entire household is institutionalized, or any member of the household is disqualified for an intentional program violation in accordance with 273.16, or the head of household is disqualified for failure to comply with 3SquaresVT work requirements.

A household with income greater than 185% of FPL, that contains any member over age 60 or any person with a disability, and that does not meet any other categorical eligibility rule, will not be eligible for expanded categorical eligibility. Such households must not have assets greater than \$3,000. In these situations, the worker must request asset information and appropriate verifications to determine eligibility.

Application Processing

E. If the State agency chooses to exercise the option to require a second application in accordance with paragraph (i)(4)(iii) of this section and receives the application before the third month, it shall not deny the application but hold it pending until the third month. The State agency will issue the third month's benefits within 5 working days from receipt of the necessary verification information but not before the first day of the month. If the postponed verification requirements are not completed before the end of the third month, the State agency shall terminate the household's participation and shall issue no further benefits.

VERMONT NOTE: Households eligible for expedited service that apply on or before the 15th of the month and have postponed verification will be certified for one month. Those applying after the 15th of the month with postponed verification will be certified for two months.

iv. There is no limit to the number of times a household can be certified under expedited procedures, as long as prior to each expedited certification, the household either completes the verification requirements that were postponed at the last expedited certification or was certified under normal processing standards since the last expedited certification. The provisions of this section shall not apply at recertification if a household reapplies before the end of its current certification period.

v. Households requesting, but not entitled to, expedited service shall have their applications processed according to normal standards.

j. PA and Categorically Eligible Households (12/5/13, 13-04)

Households applying for public assistance (PA) as defined at 271.2 shall be notified of their right to apply for SNAP benefits at the same time, and shall be allowed to apply for SNAP benefits at the same time they apply for PA benefits. The applications of these households shall be processed in accordance with the requirements of paragraph (j)(1) of this section, and their eligibility shall be based solely on SNAP eligibility criteria unless the household is categorically eligible, as provided in paragraph (j)(2) of this section. The benefit levels of all households shall be based solely on SNAP criteria. Jointly processed and categorically eligible households shall be certified in accordance with SNAP procedural, timeliness, and notice requirements, including the 5-day expedited service provisions of 273.2(i) and normal 30-day application processing standards of 273.2(g). Individuals authorized to receive PA benefits but who have not yet received payments are considered recipients of benefits from those programs. In addition, individuals are considered recipients of PA if their PA benefits are suspended or recouped. Individuals entitled to PA benefits but who are not paid such benefits because the grant is less than a minimum benefit are also considered recipients. Individuals not receiving PA benefits who are entitled to Medicaid only shall not be considered recipients.

1. Applicant PA Households

i The application for PA shall contain all the information necessary to determine a household's SNAP eligibility and level of benefits. The joint PA/SNAP application shall clearly indicate that the household is providing information for both programs, is subject to the criminal penalties of both programs for making false statements, waives the notice of adverse action as specified by both programs for making

Application Processing

false statements, and waives the notice of adverse action as specified in paragraph (j)(1)(iv) of this section. The joint PA/SNAP application may be used for all SNAP applicants provided the application form is approved for all households by FNS.

PA grant amounts that cannot be anticipated will be processed as changes of circumstances as specified in (j)(1)(iv).

- ii The State agency shall conduct a single interview at initial application for both public assistance and SNAP purposes. PA households shall not be required to see a different eligibility worker or otherwise be subjected to two interview requirements to obtain the benefits of both programs. Following the single interview, the application may be processed by separate workers to determine eligibility and benefit levels for SNAP benefits and public assistance. A household's eligibility for SNAP benefits out-of-office interview provisions in §273.2(e)(2) does not relieve the household of any responsibility for a face-to-face interview to be certified for PA.
- iii For households applying for both public assistance and SNAP benefits, the verification procedures described in paragraphs (f)(1) through (f)(8) of this section shall be followed for those factors of eligibility which are needed solely for purposes of determining the household's eligibility for SNAP benefits. For those factors of eligibility which are needed to determine both PA eligibility and SNAP eligibility, the State agency may use the PA verification rules. However, the State agency shall not delay the household's SNAP benefits if, at the end of 30 days following the date the application was filed, the State agency has sufficient verification to meet the verification requirements of paragraphs (f)(1) through (f)(8) of this section but does not have sufficient verification to meet the PA verification rules.
- iv Eligibility determination will not be postponed within the 30-day processing standard for households that appear to be categorically eligible.

If the State agency can anticipate the amount and the date of receipt of the initial PA payment, but the payment will not be received until a subsequent month, the State agency shall vary the household's SNAP benefit level according to the anticipated receipt of the payment and notify the household. Portions of initial PA payments intended to retroactively cover a previous month shall be disregarded as lump sum payments under §273.9(c)(8). If the amount or date of receipt of the initial PA payment cannot be reasonably anticipated at the time of the SNAP eligibility determination, the PA payments shall be handled as a change in circumstances. If the receipt of the PA grant reduces, suspends or terminates the household's SNAP benefits, a notice of adverse action is sent.

The case may be terminated if the household is not categorically eligible. The State agency shall ensure that the denied application of a potentially categorically eligible household is easily retrievable. For a household filing a joint application for SNAP and PA benefits or a household that has a PA application pending and is denied SNAP benefits but is later determined eligible to receive PA benefits and is otherwise categorically eligible, the State agency shall provide benefits using the original application and any other pertinent information occurring subsequent to that application.

Application Processing

Except for residents of public institutions who apply jointly for SSI and SNAP benefits prior to their release from a public institution in accordance with 273.1(e)(2), benefits shall be paid from the beginning of the period for which PA benefits are paid, the original SNAP application date or December 23, 1985, whichever is later. Residents of public institutions who apply jointly for SSI and SNAP benefits prior to their release from the institution shall be paid benefits from the date of their release from the institution. In situations where the State agency must update and reevaluate the original application of a denied case, the State agency shall not reinterview the household, but shall use any available information to update the application. The State agency shall then contact the household by phone or mail to explain and confirm changes made by the State agency and to determine if other changes in household circumstances have occurred. If any information obtained from a household differs from that which the State agency obtained from available information or the household provided additional changes in information, the State agency shall arrange for the household or its authorized representative to initial all changes, resign and date the updated application and provide necessary verification. In no event can benefits be provided prior to the date of the original SNAP application filed on or after December 23, 1985.

Any household that is determined to be eligible to receive PA benefits for a period of time within the 30-day SNAP processing time, shall be provided SNAP benefits back to the date of the SNAP application. However, in no event shall SNAP benefits be paid for a month for which such household is ineligible for receipt of any PA benefits for the month, unless the household is eligible for SNAP benefits as an NPA case. Benefits shall be prorated in accordance with 273.10(a)(1)(ii) and (e)(2)(ii)(B). Households that file joint applications that are found categorically eligible after being denied NPA SNAP benefits shall have their benefits for the initial month prorated from the date from which the PA benefits are payable, or the date of the original SNAP application, whichever is later. The State agency shall act on reevaluating the original application either at the household's request or when it becomes otherwise aware of the household's PA eligibility. The household shall be informed of the notice of denial required by 273.10(g)(1)(ii) to notify the state agency if its PA benefits are approved.

Households who file joint applications for SNAP benefits and PA and whose PA applications are subsequently denied will not be required to file new SNAP application. PA payments which cannot be reasonably anticipated will be handled as changes in circumstances.

- v Households whose PA applications are denied shall not be required to file new SNAP applications but shall have their SNAP eligibility determined or continued on the basis of the original application filed jointly for PA and SNAP purposes and any other documented information obtained subsequent to the application which may have been used in the PA determination and which is relevant to SNAP eligibility or level of benefits.

Application Processing

2 Categorically Eligible Households

- i As a general rule, any household (except those listed in paragraph (j)(2)(iii) of this section) will be considered categorically eligible for SNAP benefits because of its status as a PA-recipient household, a household with children receiving the Vermont earned income tax credit (EITC), or a household in which a parent is participating in the Postsecondary Education Program (2400 – 2418). Exceptions to this rule are entire households institutionalized according to 273.1(e) or otherwise disqualified for any reason for receiving SNAP benefits.

PA recipient households are households in which all household members receive public assistance, as defined in the introductory paragraph of 273.2 (j). For the purposes of this section, households with children receiving the Vermont EITC are defined as:

1. households with children in which a member has received a Vermont EITC payment within the 12 calendar months prior to certification or recertification; and
2. households with children participating in Vermont's 3SquaresVT Program on June 30, 2001, in which a member of the household received the Vermont EITC within the 12 calendar months prior to July 1, 2001.

Residents of public institutions who apply jointly for SSI and SNAP benefits prior to their release from the institution in accordance with 273.1 (e) (2), shall not be categorically eligible upon a finding by SSA of potential SSI eligibility prior to such release. These individuals shall be considered categorically eligible at such time as a final SSI eligibility determination has been made and the individual has been released from the institution.

The eligibility factors that are deemed for SNAP eligibility without the verification required in 273.2 (f) because of PA status are the resource, gross and net income limits; Social Security number information; sponsored alien information; and residency. If any of the following factors are questionable, the State agency shall verify, in accordance with 273.2 (f), that the household is considered categorically eligible:

- A. contains only members who receive PA as defined in the introductory paragraph 273.2(j);
 - B. contains a member who receives the Vermont EITC as defined in this paragraph; C. meets the household definition in 273.1(a);
 - D. includes all persons who purchase and prepare food together in one SNAP household regardless of whether or not they are separate units for PA purposes; and
 - E. includes no persons who have been disqualified as provided for in paragraph (j)(2)(iii) of this subsection.
- ii Households subject to retrospective budgeting that have been suspended for PA purposes as provided for in Reach Up regulations, or that receive zero benefits shall continue to be considered as authorized to receive benefits from the appropriate agency. Categorical eligibility shall be assumed at recertification in the absence of a timely PA redetermination. If a recertified household is subsequently terminated from PA benefits, the procedures in 273.12(f)(3), (4) and (5) shall be followed as appropriate.

Application Processing

Categorical eligibility will be conferred on any otherwise eligible household with children that has received the Vermont EITC in accordance with paragraph (j)(2)(i), and will remain in effect for the remainder of the certification period, not to exceed 12 months.

- iii Under no circumstances shall any household be considered categorically eligible if:
 - A. Any member of that household is disqualified for an intentional program violation in accordance with 273.16 or for failure to comply with monthly reporting requirements in accordance with 273.21; or
 - B. The entire household is disqualified because one or more of its members failed to comply with workfare in accordance with 273.22; or
 - C. The head of the household is disqualified for failure to comply with the work requirements in accordance with 273.7.
- iv These households are subject to all SNAP benefit eligibility and benefit provisions [including the provisions of 273.11(c)] and cannot be reinstated in the program on the basis of categorical eligibility provisions.
- v No person shall be included as a member in any household which is otherwise categorically eligible if that person is:
 - A. an ineligible alien as defined in 273.4;
 - B. ineligible under the student provisions in 273.5;
 - C. an SSI recipient in a cash-out state as defined in 273.20;
 - D. institutionalized in a nonexempt facility as defined in 273.1 (e); or
 - E. ineligible because of failure to comply with a work requirement of 273.7.
- vi For the purposes of work registration, the exemptions in 273.7(b) shall be applied to individuals in categorically eligible households. Any such individual who is not exempt from work registration is subject to the other work requirements in 273.7.
- vii When determining eligibility for a categorically eligible household all provisions of this subchapter except for those listed below shall apply:
 - A. Section 273.8 except for the last sentence of paragraph (a). (Resources)
 - B. Section 273.9(a) except for the fourth sentence in the introductory paragraph. (Income)
 - C. Section 273.10(a)(1)(i). (Circumstances for the month of application) D. Section 273.10(b). (Resources at the time of interview)
 - E. Section 273.10(c) for the purposes of eligibility. (Anticipating income)

Application Processing

F. Section 273.10(e)(2)(iii)(A). (Net income limits)

3. Households With Some PA Recipients

State agencies that use the joint application processing procedures in paragraph (j)(1) of this section may apply these procedures to a SNAP applicant household in which some, but not all, members are in the PA filing unit, except for procedures concerning categorical eligibility.

k. SSI Households (12/5/13, 13-04)

For purposes of this paragraph, SSI is defined as Federal SSI payments made under Title XVI of the Social Security Act, federally administered optional supplementary payments under section 1616 of that Act, or federally administered mandatory supplementary payments made under 212(a) of Pub. L. 93-66. Except in cash-out states (273.20), households which have not applied for SNAP benefits in the thirty preceding days, and which do not have applications pending, shall apply and be certified for SNAP benefits in accordance with the procedures described in 273.2(k)(1)(i) or 273.2(k)(1)(ii) and with the notice, procedural and timeliness requirements of the Food and Nutrition Act of 2008 and its implementing regulations. Households applying simultaneously for SSI and SNAP benefits shall be subject to SNAP eligibility criteria, and benefit levels shall be based solely on SNAP eligibility criteria until the household is considered categorically eligible. However, households in which all members are either PA or SSI recipients or authorized to receive PA or SSI benefits as discussed in 273.2(j) shall be SNAP eligible based on their PA/SSI status as provided for in 273.2(j)(1)(iv) and (j)(2). Households denied NPA SNAP benefits that have an SSI application pending shall be informed on the notice of denial of the possibility of categorical eligibility if they become SSI recipients. The State agency shall make an eligibility determination based on information provided by SSA or by the household.

1. Initial Application And Eligibility Determination

At each SSA office, the State agency shall either arrange for SSA to complete and forward SNAP applications, or the State agency shall outstation State SNAP eligibility workers at the SSA Offices with SSA's concurrence, based upon an agreement negotiated between the State agency and the SSA.

- i If the State agency arranges with the SSA to complete and forward SNAP applications the following actions shall be taken:
 - A. Whenever a member of a household consisting only of SSI applicants or recipients transacts business at an SSA office, the SSA shall inform the household of:
 1. Its right to apply for SNAP benefits at the SSA office without going to the SNAP Office; and
 2. Its right to apply at a SNAP Office if it chooses to do so.
 - B. The SSA will accept and complete SNAP applications received at the SSA Office from SSI households and forward them, within one working day after receipt of a signed application, to a designated office of the State agency. SSA shall also forward to the State agency a transmittal form which will be approved by SSA and FNS. The SSA will use the national SNAP application form for joint processing. State agencies may substitute a State SNAP application, provided that prior approval is received from both FNS and SSA.

Application Processing

- SSA shall approve, deny, or comment upon FNS approved State SNAP applications within thirty days of their submission to SSA.
- C. SSA will accept and complete SNAP applications from SSI households received by SSA staff in contact stations. SSA will forward all SNAP applications from SSI households to the designated SNAP State Office.
 - D. The SSA staff shall complete joint SSI and SNAP applications for residents of public institutions in accordance with 273.1(e)(2).
 - E. The State agency shall designate an address for the SSA to forward State SNAP applications and accompanying information to the State agency for eligibility determination. Applications and accompanying information must be forwarded to the agreed upon address in accordance with the time standards contained in 273.2(k)(1)(i)(B).
 - F. Except for applications taken in accordance with paragraph (k)(1)(i)(1) of this section, the State agency shall make an eligibility determination and issue SNAP benefits to eligible SSI households within 30 days following the date the application was received by the SSA. Applications shall be considered filed for normal processing purposes when the signed application is received by SSA. The expedited processing time standards shall begin on the date the State agency receives a SNAP application. The State agency shall make an eligibility determination and issue SNAP benefits to a resident of a public institution who applies jointly for SSI and SNAP benefits within 30 days following the date of the applicant's release from the institution. Expedited processing time standards for an applicant who has applied for SNAP benefits and SSI prior to release shall also begin on the date of the applicant's release from the institution in accordance with 273.2(i)(3)(i). SSA shall notify the State agency of the date of release of the applicant from the institution. If, for any reason, the State agency is not notified on a timely basis of the applicant's release date, the State agency shall restore benefits in accordance with 273.17 to such applicant back to the date of release. SNAP applications and supporting documentation sent to an incorrect SNAP State Office shall be sent to the correct office, by the State agency, within one working day of their receipt in accordance with 273.2(c)(2)(ii).
 - G. Households in which all members are applying for or participating in SSI will not be required to see a State eligibility worker, or otherwise be subjected to an additional State interview. The SNAP application will be processed by the State Agency. The State Agency shall not contact the household further in order to obtain information for certification for SNAP benefits unless: the application is improperly completed; mandatory verification required by 273.2(f)(1) is missing; or, the State agency determines that certain information on the application is questionable. In no event would the applicant be required to appear at the SNAP State Office to finalize the eligibility determination. Further contact made in accordance with this subparagraph shall not constitute a second SNAP benefit certification interview.
 - H. SSA shall refer non-SSI households to the correct SNAP State Office. The State agencies shall process those applications in accordance with the procedures noted in 273.2. Applications from such households shall be considered filed on the date the signed application is taken at the correct State agency office, and the normal and expedited processing time standards shall begin on that date.

Application Processing

- I. The SSA shall prescreen all applications for entitlement to expedited services on the day the application is received at the SSA office and shall mark "Expedited Processing" on the first page of all households' applications that appear to be entitled to such processing. The SSA will inform households which appear to meet the criteria for expedited service that benefits may be issued a few days sooner if the household applies directly at the SNAP State Office. The household may take the application from SSA to the SNAP State Office for screening, an interview, and processing of the application.
- J. The State agency shall prescreen all applications received from the SSA for entitlement to expedited service on the day the application is received at the correct SNAP State Office. All SSI households entitled to expedited service shall be certified in accordance with 273.2(i) except that the expedited processing time standard shall begin on the date the application is received at the correct State agency office.
- K. The State agency shall develop and implement a method to determine if members of SSI households whose applications are forwarded by the SSA are already participating in the SNAP Program directly through the State agency.
- L. If SSA takes an SSI application or redetermination on the telephone from a member of a pure SSI household, a SNAP application shall also be completed during the telephone interview. In these cases, the SNAP application shall be mailed to the claimant for signature for return to the SSA office or to the State agency. SSA shall then forward any SNAP applications it receives to the State agency. The State agency may not require the household to be interviewed again. The State agency shall not contact the household further in order to obtain information for certification for SNAP benefits except in accordance with 273.2(k)(1)(i)(F).
- M. To SSI recipients redetermined for SSI by mail, the SSA shall send a staffer informing them of their right to file a State SNAP application at the SSA office (if they are members of a pure SSI household) or at their local SNAP State Office, and their right to an out-of-office SNAP interview to be performed by the State agency if the household is unable to appoint an authorized representative.
- N. Section 272.4 bilingual requirements shall not apply to the Social Security Administration.
- O. State agencies shall provide and SSA shall distribute an information sheet or brochure to all households processed under this subparagraph. This material shall inform the household of the following: the address and telephone number of the household's correct SNAP State office, the remaining actions to be taken in the application process, and a statement that a household should be notified of the SNAP benefit determinations within thirty days and can contact the SNAP State office if it receives no notification within thirty days, or has other questions or problems. It shall also include the client's rights and responsibilities (including fair hearings, authorized representatives, out-of-office interviews, reporting changes and timely reapplication), information on how and where to obtain coupons, and how to use coupons (including the commodities clients may purchase with coupons).

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P. As part of the SSA-State agency joint SNAP benefit processing agreement, States may negotiate, on behalf of project areas, to have SSA provide initial eligibility and payment data where the local area is unable to access accurate and timely data through the State's SDX. However, in negotiating such agreements, SSA may challenge a State's determination that it does not have the computer capability to use SDX data. If SSA, FNS, and the State are unable to resolve this matter, and SSA determines that a State does have the capability to provide accurate and timely SDX data to the State SNAP project area, SSA is not required to provide alternate means of transmitting initial SSI eligibility and payment data.

ii Deleted, not applicable

VERMONT NOTE: Economic Services Division staff will not be outstationed in SSA offices. SSA staff will use FNS approved State application forms.

iii Regardless of whether the State agency or SSA conducts the SNAP interview, the following actions shall be taken:

A. Verification

The State agency shall ensure the information required by 273.2(f) is verified prior to certification for households initially applying. Households entitled to expedited certification services shall be processed in accordance with 273.2(i).

The State agency has the option of verifying SSI benefit payments through the State Data Exchange (SDX), the Beneficiary Data Exchange (BENDEX) and/or through verification provided by the household.

State agencies may verify other information through SDX and BENDEX but only to the extent permitted by data exchange agreements with SSA. Information verified through SDX or BENDEX shall not be reverified unless it is questionable. Households shall be given the opportunity to provide verification from another source if all necessary information is not available on the SDX or the BENDEX, or if the SDX/BENDEX information is contradictory to other household information.

Information verified through SDX or BENDEX shall not be reverified unless it is questionable. Households shall be given the opportunity to provide verification from another source if all necessary information is not available on the SDX or the BENDEX, or if the SDX/BENDEX information is contradictory to other household information.

B. Certification Period

State agencies shall certify households under these procedures for up to twelve months, according to the standards in §273.10(f), except for State agencies which must assign the initial certification period to coincide with adjustments to the SSI benefit amount as designated in §273.10(f)(3)(iii).

In cases jointly processed in which the SSI determination results in denial, and the State agency believes that SNAP eligibility or benefit levels may be affected, the State agency shall send the household a notice of expiration advising that the certification period will expire the end of the month following the month in which the notice is sent and that it must reapply if it wishes to continue to

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participate. The notice shall also explain that its certification period is expiring because of changes in circumstances which may affect SNAP eligibility or benefit levels and that the household may be entitled to an out-of-office interview, in accordance with §273.2(e)(2).

C. Changes In Circumstances

Households shall report changes in accordance with the requirements in §273.12. The State agency shall process changes in accordance with §273.12.

Within ten days of learning of the determination of the application for SSI through SDX, the household, advisement from SSA where SSA agrees to do so for households processed under §273.2(k)(1)(i), or from any other source, the State agency shall take required action in accordance with §273.12. State agencies are encouraged to monitor the results of the SSI determination through SDX and BENDEX to the extent practical.

The State agency shall process adjustments to SSI cases resulting from mass changes, in accordance with provisions of §273.12(e).

D. SSI Households Applying At The SNAP Office

The State agency shall allow SSI households to submit SNAP applications to local SNAP offices rather than through the SSA if the household chooses. In such cases all verification, including that pertaining to SSI program benefits, shall be provided by the household, by SDX or BENDEX, or obtained by the State agency rather than being provided by the SSA.

E. Restoration Of Lost Benefits

The State agency shall restore to the household benefits which were lost whenever the loss was caused by an error by the State agency or by the Social Security Administration through joint processing. Such an error shall include, but not be limited to, the loss of an applicant's SNAP application after it has been filed with SSA or with a State agency's outstationed worker. Lost benefits shall be restored in accordance with §273.17.

2. Recertification

- i The State agency shall complete the application process and approve or deny timely applications for recertification in accordance with 273.14 of the SNAP benefit regulations. A face-to-face interview shall be waived if requested by a household consisting entirely of SSI participants unable to appoint an authorized representative. The State agency shall provide SSI households with a notice of expiration in accordance with 273.14(b), except that such notification shall inform households consisting entirely of SSI recipients that they are entitled to a waiver of a face-to-face interview if the household is unable to appoint an authorized representative.

Application Processing

- ii Households shall be entitled to make a timely application (in accordance with 273.14(b)(3)) for SNAP recertification at an SSA office under the following conditions:
 - A. In SSA offices where 273.2(k)(1)(i) is in effect, SSA shall accept the application of a pure SSI household and forward the completed application, transmittal form and any available verification to the designated State SNAP Office. Where SSA accepts and refers the application in such situations, the household shall not be required to appear at a second office interview, although the State agency may conduct an out-of-office interview, if necessary.
 - B. In SSA offices where 273.2(k)(1)(ii) is in effect, the outstationed worker shall accept the application and interview the recipient and the State agency shall process the application according to 273.14.

l. Households Applying for or Receiving Social Security Benefits (12/5/13, 13-04)

An applicant for or recipient of Social Security benefits under Title II of the Social Security Act shall be informed at the SSA office of the availability of benefits under the SNAP program and the availability of a SNAP program application at the SSA office. The SSA office is not required to accept applications and conduct interviews for Title II applicants/recipients unless the State agency has chosen to outstation eligibility workers at the SSA office and has an agreement with SSA to allow the processing of such households at SSA offices. In these cases, processing shall be in accordance with 273.1(k)(1)(ii)

m. Households Where Not All Members are Applying for or Receiving SSI (12/5/13, 13-04)

An applicant for or recipient of SSI shall be informed at the SSA office of the availability of benefits under the SNAP program and the availability of a SNAP application at the SSA office. The SSA office is not required to accept applications or to conduct interviews for SSI applicants or recipients who are not members of households in which all are SSI applicants or recipients unless the State agency has chosen to outstation eligibility workers at the SSA office. In this case, processing shall be in accordance with 273.2(k)(1)(ii).

VERMONT NOTE: Eligibility workers will not be outstationed in SSA offices.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.3 Date of this Memo 07/23/1990 Page 1 of 1

This Memo: is New Replaces one dated 02/11/1990

QUESTION: Applicant household lives out of a car or van, moving every night to a different parking space. They don't rent a post office box. How do we verify residence? Can we use a collateral statement?

ANSWER: The rules say we have to verify residence, but that we can't impose a durational residency requirement. The applicant needs only to reside in Vermont with no primary residence outside the state and no plans to leave the state prior to certification. During the interview find out the person's last address. If it's out of state, check to see if they are still on food stamps at the old address. If they haven't filed a change in their old state they are probably going to return. This is for the applicant to resolve. If it's in-state check to see if they are on food stamps in another district. If the client is moving around constantly or temporarily staying with someone while apartment hunting we can only accept a collateral statement if it is very specific as to where the person is living. Document the source of the statement, get it in writing if at all possible. The client must report every change of location. See below.

QUESTION: Where do we send notices, benefits, etc. before a client has established a permanent address?

ANSWER: Any place the client wants us to send them. This includes friends, whether or not the client lives there, CAP agencies, P.O. boxes, etc. Households cannot receive a replacement for coupons lost or stolen after receipt. Replacement of coupons lost or stolen in the mail prior to receipt maybe denied after two such reports in a six-month period. The client should be advised to choose his or her mailing address carefully.

We need to know precisely where the client is for Q.C. purposes. If the client hasn't kept the department informed of his/her changing locations and Q.C. can't find the client, the certification should be stopped since we cease to have enough about the client's situation to certify the household for benefits.

Please instruct clients to do three things when they do settle at a permanent address where they want to receive mail:

- A. Tell their worker.
- B. Tell the Post Office.
- C. Put their name on their mail box.

Residency

273.3 Residency (03/01/1998, 98-4)

- a. A household shall live in the State in which it files an application for participation. The State agency may also require a household to file an application for participation in a specified project area (as defined in 271.2 of this chapter) or office within the State. No individual may participate as a member of more than one household, or in more than one project area, in any month, unless an individual is a resident of a shelter for battered women and children as defined in 271.2 and was a member of a household containing the person who had abused him or her. Residents of shelters for battered women and children shall be handled in accordance with 273.11(g). The State agency shall not impose any durational residency requirements. The State agency shall not require an otherwise eligible household to reside in a permanent dwelling or have a fixed mailing address as a condition of eligibility. Nor shall residency require an intent to reside permanently in the State or project area. Persons in a project area solely for vacation purposes shall not be considered residents
- b. When a household moves within the State, the State agency may require the household to reapply in the new project area or it may transfer the household's casefile to the new project area and continue the household's certification without reapplication. If the State agency chooses to transfer the case, it shall act on changes in household circumstances resulting from the move in accordance with 273.12(c) or 273.21. It shall also ensure that duplicate participation does not occur in accordance with 272.4(f) of this chapter, and that the transfer of a household's case shall not adversely affect the household.

VERMONT: Vermont elects to have statewide residency and will transfer the household's certification without requiring reapplication.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing Page 273.4a **Effective Date of this Memo** February 14, 2003 **Page** 1

This Memo: is New **Replaces one dated** November 1, 1998

QUESTION: Have Food Stamp Program rules changed to make more legal immigrants eligible for food stamp benefits?

ANSWER: Yes. Provisions of the 2002 Farm Bill¹ restored eligibility to more qualified legal immigrants. The chart below compares the new rules with rules in effect since November 1, 1998, which they supersede.

Immigrant Status	Rule in Effect Since November 1, 1998	2002 Farm Bill Rule Change	Effective Date
Recipient of benefits for blindness or disability (271.2)	Eligible if living in U.S. on August 22, 1996	Eligible regardless of U.S. entry date	October 1, 2002
Legal permanent resident	Eligible if: 1. Was living in U.S. on August 22, 1996 and • Has 40 work quarters (273.4b); or • Was 65 or older on August 22, 1996; or 2. Entered U.S. on or after August 22, 1996 and • Has lived in U.S. for 5 years, and • Has 40 work quarters (273.4b); or 3. Is an honorably discharged veteran or active duty member of the U.S. military, or spouse or unremarried surviving spouse, or unmarried child of such a person (273.4 a 5).	Eligible if: 1. Has lived in U.S. for 5 years; or 2. Has 40 work quarters (273.4b); or 3. Is an honorably discharged veteran or active duty member of the U.S. military, or spouse or unremarried surviving spouse, or unmarried child of such a person (273.4 a 5)	April 1, 2003
Asylee; refugee; Cuban or Haitian entrant; individual granted withholding of deportation or removal; and Amerasian immigrants	Eligible to receive food stamps for 7 years from date status granted.	Eligible indefinitely from date status granted	April 1, 2003
Legal permanent resident under age 18	Eligible if living in U.S. on August 22, 1996	Eligible regardless of U.S. entry date	October 1, 2003
Victim of Domestic Violence	May be eligible	May be eligible	No change
Member of Hmong or Highland Laotian tribe during Viet Nam era (August 5, 1964 – May 7, 1975) or spouse or unremarried surviving spouse, or unmarried child of such a person	Eligible	Eligible	No change
Canadian-born American Indian	Eligible	Eligible	No Change

¹ Food Stamp Act, as amended by the Farm Security and Reinvestment Act of 2002 (Pub. L 107-171)

Citizenship and Alien Status

273.4 Citizenship and Alien Status (10/01/1998, 98-24)

a. Citizens and Eligible Aliens

State agencies shall allow participation in the program by any person, otherwise eligible, who is a resident of the United States and one of the following:

1. A United States citizen.
2. A qualified alien less than five years after the date:
 - i he or she was admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act (INA), or
 - ii he or she was granted asylum under section 208 of INA, or
 - iii his or her deportation was withheld under section 243(h) of the INA or removal was withheld under section 241(b)(3) after April 1, 1997, or
 - iv he or she was granted status as a Cuban or Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1980, or
 - v he or she was admitted to the United States as an Amerasian immigrant, as defined in section 5306 of the Balanced Budget Act of 1997.
3. A qualified alien who entered the United States before August 22, 1996, and:
 - i was lawfully admitted to the United States for permanent residence as defined in section 101(a)(2) of the INA; and
 - ii can be credited with 40 qualifying quarters of work, as defined in paragraph b.
4. A qualified alien who entered the United States on or after August 22, 1996, and:
 - i has been in the United States at least five years; and
 - ii was lawfully admitted to the United States for permanent residence as defined in section 101(a)(2) of the INA; and
 - iii can be credited with 40 qualifying quarters of work, as defined in paragraph b.
5. A qualified alien lawfully residing in any state who is:
 - i a veteran, as defined in section 101, 1101, or 1301, or as described in section 107 of title 38, United States Code, with a discharge characterized as an honorable discharge and not on account of alienage; or
 - ii on active duty, other than active duty for training, in the Armed Forces of the United States; or
 - iii the spouse (including a surviving spouse who has not remarried) or unmarried dependent child of an individual described in (i) or (ii) above.

The term “qualified alien” is defined at 271.1

Citizenship and Alien Status

b. Qualifying Quarters

In determining the number of qualifying quarters of coverage as defined under title II of the Social Security Act, an alien shall be credited with:

1. all of the qualifying quarters of coverage as defined under title II of the Social Security Act worked by the alien, and
2. all of the qualifying quarters of coverage worked by a parent of such alien while the alien was under age 18, and
3. all of the qualifying quarters worked by a spouse of such alien during their marriage and the alien remains married to such spouse or such spouse is deceased.

No such qualifying quarter of coverage that is creditable under title II of the Social Security Act for any period beginning after December 31, 1996, may be credited to an alien under (1) or (2) above if the parent or spouse (as the case may be) of such alien received any federal means-tested public benefit (as defined below) during the period for which such qualifying quarter of coverage is so credited.

Federal means-tested benefits for this purpose do not include:

- emergency medical assistance;
- short-term, non-cash, in-kind emergency disaster relief;
- assistance under the National School Lunch Act of the Child Nutrition Act of 1966;
- public health assistance for immunizations or testing and treatment of symptoms of communicable diseases not paid by Medicaid;
- payments for foster care and adoption assistance under parts B and E of Title IV of the Social Security Act, under certain conditions;
- programs, services, or assistance specified by the Attorney General;
- programs of student assistance under titles IV, V, IX, and X of the Higher Education Act of 1965, and titles III, VII and VIII of the Public Health Service Act;
- means-tested programs under the elementary and Secondary Education Act of 1965
- benefits under the Head Start Act;
- benefits under the Job Training Partnership Act.

c. Ineligible Aliens

Aliens other than those described in paragraph (a) of this section shall not be eligible to participate. This includes, but is not limited to, alien visitors, tourists, diplomats and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country.

d. Income and Resources

The income and resources of an ineligible alien shall be handled as outlined in 273.11(c)(2).

e. Awaiting Verification

If verification of eligible alien status as required by 273.2(f) is not provided on a timely basis, the eligibility of the remaining household members shall be determined. The income and resources of the individual whose alien status is unverified shall be handled

Citizenship and Alien Status

as outlined in 273.11(c) and considered available in determining the eligibility of the remaining household members. If verification of eligible alien status is subsequently received, the State agency shall act on the information as a reported change in household membership in accordance with timeliness standards in 273.12.

f. Reporting Illegal Aliens

1. The State agency shall immediately inform the local INS office whenever personnel responsible for the certification or recertification of household determine that any member of a household is ineligible to receive Food Stamps because the member is present in the United States in violation of the Immigration and Nationality Act.
2. When a household indicates inability or unwillingness to provide documentation of alien status for any household member, that member should be classified as an ineligible alien. When a person indicates inability or unwillingness to provide documentation of alien status, that person should be classified as an ineligible alien. In such cases the State agency shall not continue efforts to obtain that documentation.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.5a Date of this Memo 02/03/1982 Page 1 of 1

This Memo: is New Replaces one dated 12/10/1980

QUESTION: Do we use the schools definition of half time and part time student? Schools in our area vary. (273.5a3)

ANSWER: Yes. Use the school's criteria for how many credit hours qualify a student as half time.

QUESTION: What level of activity constitutes participation in work study? (273.5b1ii)

ANSWER: Participation is defined as actually working. Documentation of income is a good way to verify the student is actually working. The student is responsible to report the change if he stops working.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.5b Date of this Memo 02/23/1987 Page 1 of 1

This Memo: is New Replaces one dated _____

QUESTION: Lack of adequate childcare for dependent household members who have reached age six but are under age 12 is a criterion that would make a student as defined in 273.5(a) eligible to participate in the Food Stamp program. How is lack of adequate child care determined?

ANSWER: The worker must gather facts about the child care arrangements which were being used prior to the failure to comply and determine whether the FS household member's judgment that these arrangements were inadequate was reasonable. The Department must have a convincing and well documented set of facts to determine that the FS household member's judgment was not reasonable.

In addition, the worker must gather facts regarding whether or not the FS household member attempted to secure alternative arrangements, and, if so, whether or not his or her judgment regarding the adequacy or inadequacy of these alternative arrangements was reasonable.

If the FS household member made no attempt to secure alternative child care arrangements, the worker must document that alternative child care arrangements exist which would have fulfilled the FS household's child care requirements adequately and would have been reasonably accessible to the FS household member, had he or she sought to locate them.

All cases claiming problems with child care arrangements will require the exercise of judgment on the part of the worker. In any case in which the adequacy of the arrangements or the reasonableness of the FS household member's judgment is questionable, the FS household should be given the benefit of the doubt.

Should the Department's decision be challenged, the parent or caretaker's assessment is likely to be accepted unless the Department has been reasonable in its exercise of judgment and documented the facts and circumstances supporting the decision thoroughly.

Students

273.5 Students (02/01/1996, 96-7)

a. Applicability

An individual who is enrolled at least half time in an institution of higher education shall be ineligible to participate in the Food Stamp program unless the individual qualifies for one of the exemptions contained in paragraph (b) of this section. An individual is considered to be enrolled in an institution of higher education if the individual is enrolled in a business, technical, trade, or vocational school that normally requires a high school diploma or equivalency certificate for enrollment in the curriculum or if the individual is enrolled in a regular curriculum at a college or university that offers degree programs regardless of whether a high school diploma is required.

b. Student Exemptions

To be eligible for the program a student as defined in paragraph (a) of the section must meet at least one of the following criteria:

1. Be age 17 or younger or age 50 or older;
2. Be physically or mentally unfit;
3. Be receiving the Aid to Families with Dependent Children program under Title IV of the Social Security Act;
4. Be enrolled as a result of participation in the Job Opportunities and Basic Skills program under Title IV of the Social Security Act or its successor program;
5. Be employed for a minimum of 20 hours per week and be paid for such employment or, if self employed, be employed for a minimum of 20 hours per week and receiving weekly earnings at least equal to the Federal minimum wage multiplied by 20 hours;
6. Be participating in a State or federally financed work study program during the regular school year.
 - i To qualify under this provision, the student must be approved for work study at the time of application for food stamps, the work study must be approved for the school term, and the student must anticipate actually working during that time. The exemption shall begin with the month in which the school term begins or the month work study is approved, whichever is later. Once begun, the exemption shall continue until the end of the month in which the school term ends, or it becomes known that the student has refused an assignment.
 - ii The exemption shall not continue between terms when there is a break of a full month or longer unless the student is participating in work study during the break.
7. Be participating in an on-the-job training program. A person is considered to be participating in an on-the-job training program only during the period of time the person is being trained by the employer;
8. Be responsible for the care of a dependent household member under the age of six;
9. Be responsible for the care of a dependent household member who has reached the age of six but is under age twelve when the State agency has determined that adequate child care is not available to enable the student to attend class and comply with the work requirements of paragraph (b)(5) or (b)(6) of this section;

Students

10. Be a single parent enrolled in an institution of higher education on a full-time basis (as determined by the institution) and responsible for the care of a dependent child under age 12.
 - i This provision applies in those situations where only one natural, adoptive or stepparent (regardless of marital status) is in the same food stamp household as the child.
 - ii If no natural, adoptive or stepparent is in the same food stamp household as the child, another full-time student in the same food stamp household as the child may qualify for eligible student status under this provision if he or she has parental control over the child and is not living with his or her spouse.
11. Be assigned to or placed in an institution of higher education through or in compliance with the requirements of one of the programs identified in paragraphs (b)(11)(i) through (b)(11)(iv) of this section. Self-initiated placements during the period of time the person is enrolled in one of these employment and training programs shall be considered to be in compliance with the requirements of the employment and training program in which the person is enrolled provided that the program has a component for enrollment in an institution of higher education and that program accepts the placement. Persons who voluntarily participate in one of these employment and training programs and are placed in an institution of higher education through or in compliance with the requirements of the program shall also qualify for the exemption. The programs are:
 - i A program under the Job Training Partnership Act of 1974 (29 U.S.C. 1501, et seq.);
 - ii An employment and training program under 273.7;
 - iii A program under section 236 of the Trade Act of 1974 (19 U.S.C. 2296); or
 - iv An employment and training program for low-income households that is operated by a State or local government where one or more of the components of such program is at least equivalent to an acceptable food stamp employment and training program component as specified in 273.7(f)(1). Using criteria in 273.7(f)(1), State agencies shall make the determinations as to whether or not the programs qualify.
- c. The enrollment status of a student shall begin on the first day of the school term of the institution of higher education. Such enrollment shall be deemed to continue through normal periods of class attendance, vacation and recess unless the student graduates, is suspended or expelled, drops out, or does not intend to register for the next normal school term (excluding summer school).
- d. The income and resources of an ineligible student shall be handled as outlined in 273.11(d).

Social Security Numbers

273.6 Social Security Numbers (03/01/1998, 98-4)

a. Requirements for Participation

The State agency shall require that a household participating or applying for participation in the Food Stamp Program provide the State agency with the Social Security number (SSN) of each household member or apply for one before certification. If individuals have more than one number, all numbers shall be required. The State agency shall explain to applicants and participants that refusal or failure without good cause to provide an SSN will result in disqualification of the individual for whom an SSN is not obtained.

b. Obtaining SSNs for Food Stamp Household Members

1. For those individuals who provide SSNs prior to certification, recertification or at any office contact, the State agency shall record the SSN and verify it in accordance with 273.2(f)(1)(v).
2. For those individuals who do not have an SSN, the State agency shall:
 - i If an enumeration agreement with SSA exists, complete the application for an SSN, Form SS 5. To complete Form SS 5, the State agency must document the verification of identity, age, and citizenship or alien status as required by SSA and forward the SS 5 to SSA.
 - ii If no enumeration agreement exists, an individuals must apply at the SSA, and the State agency shall arrange with SSA to be notified directly of the SSN when it is issued. The State agency shall inform the household where to apply and what information will be needed, including any which may be needed for SSA to notify the State agency of the SSN. The State agency shall advise the household member that proof of application from SSA will be required prior to certification. SSA normally uses the Receipt of Application for a Social Security Number, Form SSA 5028, as evidence that an individual has applied for an SSN. State agencies may also use their own documents for this purpose.

VERMONT: Option (ii) is used as Vermont has no enumeration agreement and the individuals must apply at SSA.

3. The State agency shall follow the procedures described in paragraphs (b)(2)(i) and (ii) of this section for individuals who do not know if they have an SSN, or are unable to find their SSN.
4. If the household is unable to provide proof of application for an SSN for a newborn, the household must provide the SSN or proof of application at its next recertification or within 6 months following the month the baby is born, whichever is later. If the household is unable to provide an SSN or proof of application for an SSN at its next recertification within 6 months following the baby's birth, the State agency shall determine if the good cause provisions of paragraph (d) of this section are applicable.

c. Failure to Comply

If the State agency determines that a household member has refused or failed without good cause to provide or apply for an SSN, then that individual shall be ineligible to participate in the Food Stamp Program. The disqualification applies to the individual for whom the SSN is not provided and not to the entire household. The earned or unearned income and resources of an individual disqualified from the household for failure to comply with this requirement shall be counted as household income and resources to the extent specified in §273.11(c) of these regulations.

Social Security Numbers

d. Determining Good Cause

In determining if good cause exists for failure to comply with the requirement to apply for or provide the State agency with an SSN, the State agency shall consider information from the household member, SSA and the State agency (especially if the State agency was designated to send the SS 5 to SSA and either did not process the SS 5 or did not process it in a timely manner). Documentary evidence or collateral information that the household member has applied for an SSN or made every effort to supply SSA with the necessary information to complete an application for an SSN shall be considered good cause for not complying timely with this requirement. Good cause does not include delays due to illness, lack of transportation or temporary absences, because SSA makes provisions for mail in applications in lieu of applying in person. If the household member can show good cause why an application for a SSN has not been completed in a timely manner, that person shall be allowed to participate for one month in addition to the month of application. If the household member applying for an SSN has been unable to obtain the documents required by SSA, the State agency caseworker should make every effort to assist the individual in obtaining these documents. Good cause for failure to apply must be shown monthly in order for such a household member to continue to participate. Once an application has been filed, the State agency shall permit the member to continue to participate pending notification of the State agency of the household member's SSN.

e. Ending Disqualification

The household member disqualified may become eligible upon providing the State agency with an SSN.

f. Use of SSNs

The State agency is authorized to use SSNs in the administration of the Food Stamp Program. To the extent determined necessary by the Secretary and the Secretary of Health and Human Services, State agencies shall have access to information regarding individual Food Stamp Program applicants and participants who receive benefits under Title XVI of the Social Security Act to determine such a household's eligibility to receive assistance and the amount of assistance, or to verify information related to the benefit of these households. State agencies shall use the State Data Exchange (SDX) to the maximum extent possible. The State agency should also use the SSNs to prevent duplicate participation, to facilitate mass changes in Federal benefits as described in §273.12(e)(3) and to determine the accuracy and/or reliability of information given by households. In particular, SSNs shall be used by the State agency to request and exchange information on individuals through the IEVS as specified in §272.8.

g. Entry of SSNs into Automated Data Bases.

State agencies with automated Food Stamp data bases containing household information shall enter all SSNs obtained in accordance with 273.69a) into these files.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.7b Date of this Memo 07/23/1990 Page 1 of 1

This Memo: is New Replaces one dated 09/30/1987

QUESTION: Is a student who quits a work-study program without good cause considered to be a voluntary quit?

ANSWER: Yes, provided:

- a. the person who quits will not be exempt from work registration for any of the reasons listed in 273.7(b) (1);
- b. the person who quit is the head of household (principal wage earner) as defined in 273.1(d)(2);
- c. the work-study job was for 20 or more hours a week or provided weekly earnings at least equivalent to the Federal minimum wage multiplied by 20 hours; and
- d. the quit was without good cause.

Good cause might be for, but is not limited to, any of the reasons listed in 273.7(i), 273.7(m) and 273.7(n)(3). The IM worker must carefully consider all factors in determining the presence (or lack) of good cause. In doing so he or she shall take into consideration the client's current behavior and future plans and the potential effect of a sanction on the overall situation of not only the principal wage earner, but also the entire Food Stamp Household.

A worker's good-cause or no-good-cause determination nearly always involves his or her exercise of discretion and the need to weight and assess the positive and negative, or conflicting factors which are inherent in the set of facts, perceptions, allegations and unknowns associated with a specific voluntary-quit situation. There are no hard-and-fast rules to apply to situations not addressed in policy.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.7b Date of this Memo 05/11/1995 Page 1 of 1

This Memo: is New Replaces one dated 09/30/1987

QUESTION: Will you please clarify the work registration status of student as it related to 273.7b 1 viii?

ANSWER: See below

Enrolled in	Younger than 16; or 16 of 17 and not head of household	Age 16 or 17, Head of Household	18 or older buy younger than 50	age 50 to 59	Age 60 or older
Rexcognized school or training program other than institution of higher education: <ul style="list-style-type: none"> at least half time less than half time 	exempt Exempt	exempt Exempt	exempt Exempt	exempt Exempt	exempt Exempt
Institution of higher education <ul style="list-style-type: none"> At least half time 	Exempt Exempt	Exempt Must Register	Exempt if eligible as per 273.5. If not eligible as per 273.5, then not included in the FS household. Must Register	Must Register Must Register	Exempt Exempt

Work Requirements

273.7 Work Requirements (08/01/1987, 87-18)

a. Persons Required to Register

Each household member who is not exempt by paragraph (b)(1) of this section shall be registered for employment by the State agency at the time of application, and once every twelve months after initial registration, as a condition of eligibility. The registration form need not be completed by the member required to register.

b. Exemptions from Work Registrations

1. The following persons are exempt from the work registration requirement:

- i A person younger than 16 years of age or a person 60 years of age or older. If a child has its 16th birthday within a certification period, the child shall fulfill the work registration requirement as part of the next scheduled recertification process, unless the child qualifies for another exemption. A person age sixteen or seventeen who is not head of a household or who is attending school, or enrolled in an employment training program on at least a half time basis is exempt.
- ii A person physically or mentally unfit for employment. If mental or physical unfitness is claimed and the unfitness is not evident to the State agency, verification may be required. Appropriate verification may consist of receipt of temporary or permanent disability benefits issued by governmental or private sources, or of a statement from a physician or licensed or certified psychologist.
- iii A household member subject to and complying with any work requirement under title IV of the Social Security Act including WIN registration. If the exemption claimed is questionable, the State agency shall be responsible for verifying the exemption.
- iv A parent or other household member who is responsible for the care of a dependent child under 6 or an incapacitated person. If the child has its 6th birthday within a certification period, the individual responsible for the care of the child shall fulfill the work registration requirement as part of the next scheduled recertification process, unless the individual qualifies for another exemption.
- v A person is in receipt of unemployment compensation. A person who has applied for, but has not yet begun to receive, unemployment compensation shall also be exempt if that person was required to register for work with the SESA as part of the unemployment compensation application process. If the exemption claimed is questionable, the State agency shall be responsible for verifying the exemption with the appropriate office of the SESA.
- vi A regular participant in a drug addiction or alcoholic treatment and rehabilitation program.
- vii A person who is employed or self employed and working a minimum of 30 hours weekly or receiving weekly earnings at least equal to the Federal minimum wage multiplied by 30 hours. This shall include migrant and seasonal farmworkers who are under contract or similar agreement with an employer or crew chief to begin employment within 30 days (although this shall not prevent individuals from seeking additional services from SESA). For work registration purposes, a person residing in certain designated areas of Alaska, as specified in 274.10(a)(4)(iii), who subsistence

Work Requirements

hunts and/or fishes a minimum of 30 hours weekly as determined by averaging over the certification period shall be considered exempt as self employed.

- viii A student enrolled at least half time in any recognized school, training program, or institution of higher education, provided that students enrolled at least half time in an institution of higher education have met the eligibility conditions in 273.5 of this part. A student enrolled in a school, training program, or institution of higher education shall remain exempt during normal periods of class attendance, vacation and recess, unless the student graduates, is suspended or expelled, drops out or does not intend to register for the next normal school term (excluding summer school). Persons who are not enrolled at least half time or who experience a break in enrollment status due to graduation, expulsion, or suspension, or who drop out otherwise do not intend to return to school, shall not be considered students for the purpose of qualifying for this exemption.

2.

- i Persons losing exemption status due to any change in circumstances that are subject to the reporting requirements of 273.12 (such as a loss of employment that also results in a loss in income of more than \$25 a month, or departure from the household of the sole dependent child for whom an otherwise nonexempt household member was caring) shall register for employment when the change is reported. If the State agency does not use a work registration form, it shall annotate the change to the member's exemption status. If a work registration form is used, the State agency shall be responsible for providing the participant with a work registration form when the change is reported. Participants shall be responsible for returning the form to the State agency within 10 calendar days from the date the form was handed to the household member reporting the change in person, or the date the State agency mailed the form.

If the participant fails to return the form, the State agency shall issue a notice of adverse action stating that the participant is being terminated and why, but that the termination can be avoided by returning the form.

VERMONT: A work registration form is used.

- ii Those persons who lose their exemption due to a change in circumstances that is not subject to the reporting requirements of 273.12 shall register for employment at their household's next recertification.

c. State Agency Responsibilities

1. The State agency shall register for work each household member not exempted by the provisions of 273.7 b. Upon reaching a determination that an applicant or a member of the applicant's household is required to register, the State agency shall explain to the applicant the pertinent work requirements, the rights and responsibilities of work registered household members, and the consequences of failure to comply. The State agency shall provide a written statement of the above to each work registrant in the household. A notice shall also be provided when a previously exempt member or new household member becomes subject to a work requirement, and at recertification. The State agency shall permit the applicant to complete a record or form for each member required to register for employment in accordance with paragraph (a) of this section. Household members are considered to have registered when an identifiable work registration form is submitted to the State agency or when the registration is otherwise annotated or recorded by the State.

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2. The state agency shall be responsible for screening each work registrant to determine whether or not it is appropriate, based on the State's criteria, to refer the individual to an employment and training program, and if appropriate, referring the individual to an employment and training program component. Upon entry into each component the registrant applicant or volunteer, should be told, either orally or in writing, the requirements of the component, what will constitute noncompliance and the sanctions for noncompliance. The State agency shall initiate conciliation procedures pursuant to paragraph (g)(1)(ii) of this section, upon determining that an individual has not complied with E&T requirements. The State agency shall issue a notice of adverse action to the individual or household, as appropriate, no later than the last day of the conciliation period. If the notice of adverse action was issued prior to the end of the conciliation period and the State agency verifies that compliance was achieved by the end of the conciliation period, the notice of adverse action may be canceled. If States wish to use different intake and sanction systems which are compatible with title IV A work programs such systems shall be proposed in the State's plan, and subject to the Secretary's approval.
 3. The State agency shall design and operate an employment and training program which may consist of one or more or a combination of employment and/or training components as described in §273.7(f). The State agency must ensure that it is notified by the agency or agencies operating its E&T components within ten days if an E&T mandatory participant fails to comply with E&T requirements.
 4. (Employment and Training plan submittal requirements not applicable to the Policy Manual.)
 5. (Employment and Training plan submittal requirements not applicable to the Policy Manual.)
 6. (Reporting requirements not applicable to the Policy Manual.)
 7. (Reporting requirements not applicable to the Policy Manual.)
 8. (Reporting requirements not applicable to the Policy Manual.)
 9. (Reporting requirements not applicable to the Policy Manual.)
 10. (Not applicable in Vermont)
 11. If a benefit overissuance is discovered for a month or months in which a mandatory E&T participant has already fulfilled a work component requirement, the State agency shall follow the procedure specified in 273.22(f)(9) for a workfare overissuance
- d. Federal Financial Participation
(Federal cost sharing, participant reimbursement, funding mechanism and fiscal record keeping and reporting requirements not applicable to the Policy Manual.)
- e. work Registrant Requirements
Work registrants shall:
1. Participate in an employment and training program if assigned by the State agency;
 2. Respond to a request from the State agency or its designee for supplemental information regarding employment status or availability for work;
 3. Report to an employer to whom referred by the State agency or its designee if the potential employment meets the suitability requirements described in paragraph (i) of this section;

Work Requirements

4. Accept a bona fide offer of suitable employment at a wage not less than the higher of either the applicable State or Federal minimum wage.

- f. Employment and Training Programs

Persons required to register for work and not exempted by the State agency from placement in an employment and training program shall be subject to the requirements imposed by the State agency for that individual. Such individuals are referred to in this section as E&T mandatory participants. Requirements may vary among participants. Failure to comply without good cause with the requirements imposed by the State agency shall result in disqualification as specified in 273.7(g). The state may apply these employment and training requirements to a program applicant at the time of application.

1. Components

Each component of an employment and training program carried out under this paragraph shall be delivered through a statewide workforce development system, unless the component is not available locally through such a system. To be considered acceptable by FCS, any component offered by a State agency shall entail certain levels of effort by the participants. The level of effort should be comparable to spending approximately 12 hours a month for two months (or less in workfare or work experience components if the household's benefit divided by the minimum wage is less than this amount) making job contacts; however, FCS may approve components which do not meet this guideline which it determines will advance program goals. An initial screening by an eligibility worker to determine whom to place in an employment and training program does not constitute a component. An employment and training program offered by a State agency must offer one or more of the following components:

- i A job search program. The State may require that an individual participate in a job search program from the time an application is filed for an initial period of up to eight consecutive weeks. Following this initial period (which may extend beyond the date when eligibility is determined) the State may require an additional job search period, not to exceed eight weeks (or its equivalent) in any period of 12 consecutive months. The first such period of 12 consecutive months shall begin at any time following the close of the initial period. States must not impose requirements which would delay the determination of an individual's eligibility for aid or in issuing benefits to any household which is otherwise eligible.
- ii A job search training program that includes reasonable job search training and support activities. Such a program may consist of job skills assessments, job finding clubs, training in techniques for employability, job placement services, or other direct training or support activities, including educational programs determined by the State agency to expand the job search abilities or employability of those subject to the program. Job search training activities are approvable if they directly enhance the employability of the participants. A direct link between the job search training activities and job readiness must be established for a component to be approved.
- iii A workfare program as described in 273.22;
- iv A program designed to improve the employability of household members through actual work experience or training, or both, and to enable individuals employed or trained under such programs to move promptly into regular public or private employment. Such an employment or training experience shall:

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- A. Not provide any work that has the effect of replacing the employment of an individual not participating in the employment or training experience program; and
 - B. Provide the same benefits and working conditions that are provided at the job site to employees performing comparable work for comparable hours.
- v A project, program or experiment such as a supported work program, or a JTPA or State or local program aimed at accomplishing the purpose of the employment and training program.
 - vi Educational programs or activities to improve basic skills or otherwise improve employability including educational programs determined by the State agency to expand the job search abilities or employability of those subject to the program as specified under paragraph (f) of this section. Allowable educational activities may include, but are not limited to, high school or equivalent educational programs, remedial education programs to achieve a basic literacy level, and instructional programs in English as a second language. Only educational components that directly enhance the employability of the participants are allowable. A direct link between the education and job-readiness must be established for a component to be approved.
 - vii A program designed to improve the self-sufficiency of recipients through self-employment including programs that provide instructions for self-employment ventures.

2. Exemptions

Subject to the requirements for overall plan approval by the Secretary, State agencies may exempt categories of individuals from employment and training participation. Individual exemptions shall be evaluated at each recertification and exemptions granted to categories of persons should be reviewed no less frequently than annually to determine whether they remain valid. If a State recognizes that because of changes in its caseload the exemption limit set forth in its approved plan is insufficient, the State may seek to amend its State plan during the year. FNS will consider changes in a State's caseload in determining whether a State has complied with its exemption limit.

- i Persons who have participated in the Food Stamp Program for 30 days or less may be exempted from participation.
- ii Categories of persons for whom an employment and training requirement would be impracticable may be exempted. Factors such as the availability of work opportunities and the cost effectiveness of the requirements may be considered. In making the determination of exemption, the State agency may designate a category of all households residing in a specific area of the State.
- iii State agencies may exempt from participation individual household members for whom participation is impracticable because of personal circumstances such as lack of job readiness, the remote location of work opportunities, physical condition, the unavailability of dependent care, and monthly E&T expenses that exceed the allowable reimbursable amounts specified in paragraphs (d)(1)(ii)(A) & (B) of this section.
- iv Persons who are assigned to a job or training component, do not commence the component and are determined to have good cause shall be considered exempted if the

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reason for good cause will last for 60 days or longer. When the reason for the exemption is no longer applicable, the person may be placed in a component.

3. Time Spent in an Employment and Training Program

- i The number of months a participant spends in an employment and training component shall be determined by the State agency with the exception of the limitations placed on job search in section (f)(1)(i). The State agency may also determine the number of successive components in which a participant may be placed.
- ii The time spent by the members of a household collectively each month in an employment and training work program including, but not limited to those carried out under 273.7(f)(1)(iii) and (iv), combined with any hours worked that month in a workfare program under 273.22 and shall not exceed the number of hours equal to the household's allotment for that month divided by the higher of the applicable State or Federal minimum wage. The total hours of participation in an E&T component for any household member individually in any month, together with any hours worked in a workfare program under 273.22 and any hours worked for compensation (in cash or in kind), shall not exceed 120.

4. Voluntary Participation

- i A State agency may operate program components in which individuals elect to participate.
- ii Voluntary participants in an employment and training component shall not be disqualified for failure to comply with employment and training requirements.
- iii The hours of participation or work of a volunteer may not exceed the hours required of E&T mandatory participants, as specified in paragraph (3) of this section.

g. Failure to Comply

1. Noncompliance with Food Stamp Program Work Regulations

- i If the State agency determines that an individual has refused or failed without good cause to comply with the requirements imposed by this section and by the State agency or the voluntary quit and reduced hours requirements at 273.7 (n), that individual, for a first violation, shall be ineligible to participate in the Food Stamp program until the later of:
 - a. the date the individual becomes eligible by complying with the requirement as specified in section (h) of Work Requirements; or
 - b. the date that is one month after the date of application, for new or closed applicants; or
 - c. the date that is one month after the date the individual became ineligible, for ongoing recipients.

The second time that an individual becomes ineligible to participate in the Food Stamp program, as described above, the individual shall remain ineligible until the later of:

- a. the date the individual becomes eligible by complying with the requirement as specified in section (h) of Work Requirements; or

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- b. the date that is three months after the date of application, for new or closed applicants; or
- c. the date that is three months after the date the individual became ineligible, for ongoing recipients.

The third or subsequent time that an individual becomes ineligible to participate in the Food Stamp program, as described above, the individual shall remain ineligible until the later of:

- a. the date the individual becomes eligible by complying with the requirements as specified in section (h) of Work Requirements; or
 - b. the date that is six months after the date of application, for new or closed applicants; or
 - c. the date that is six months after the date the individual became ineligible, for ongoing recipients.
- ii The State agency shall develop conciliation procedures to be used upon determining that an individual has refused or failed to comply with an E & T requirement. The purpose of the conciliation effort is to determine the reason(s) the work registrant did not comply with the E & T requirement and provide the noncomplying individual with an opportunity to comply prior to the issuance of the notice of adverse action. The conciliation period shall begin the day following the date the State agency learns of the noncompliance and shall continue for a period not to exceed 30 calendar days.

Within this conciliation period, the State agency shall, at a minimum, contact the noncomplying household member to ascertain the reason(s) for the noncompliance and determine whether good cause for the noncompliance exists, as discussed in paragraph (m) of this section. If good cause does not exist, the State agency shall inform the household member of the pertinent E & T requirements and the consequences of failing to comply. The household member shall be informed of the action(s) necessary for compliance and the date by which compliance must be achieved to avoid the notice of adverse action. This day may not exceed the end of the conciliation period.

To avoid the notice of adverse action, the noncomplying household member must perform a verifiable act of compliance, such as attending a job search training session or submitting a report of job contacts. Verbal commitment by the household member is not sufficient, unless the household member is prevented from complying by circumstances beyond the household member's control, such as the unavailability of a suitable component.

If it is apparent that the individual will not comply (i.e., the individual refuses to comply and does not have good cause), the State agency may end the conciliation period early and proceed with the issuance of the notice of adverse action under paragraph (g)(1)(iii) of this section. The individual's refusal to comply shall be documented in the case file.

- iii If the work registrant does not comply during the conciliation period the State agency shall issue a notice of adverse action to the individual or household, as specified in 273.13, no later than the last day of conciliation period. If the notice of adverse action is issued prior to the end of the conciliation period, the notice may be canceled if the State agency is able to verify that compliance was achieved by the end of the conciliation period.

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- iv If an individual refuses or fails to comply with any of the work requirements imposed by this section, other than the DOL requirements, the State agency shall determine whether good cause for the non compliance exists, as discussed in paragraph (m) of this section. Within 10 days of the State agency determining the non compliance was without good cause, the State agency shall provide the individual or household with a notice of adverse action, as specified in 273.13.
- v The notice of adverse action shall contain the particular act of non compliance, the proposed period of disqualification and shall specify that the individual or household may reapply at the end of the disqualification period. Information shall also be included on or with the notice describing the action which can be taken to end or avoid the sanction and the procedures contained in paragraph (h) of this section. The disqualification period shall begin with the first month following the expiration of the ten-day adverse notice period, unless a fair hearing is requested.
- vi Each individual or household has a right to request a fair hearing, in accordance with 273.15, to appeal a denial, reduction or termination of benefits due to a determination of nonexempt status, or a State agency determination of failure to comply with the work registration or employment and training requirements of this section. Individuals or households may appeal State agency actions such as exemption status, the type of requirement imposed, or State agency refusal to make a finding of good cause, if the individual or household believes that a finding of failure to comply has resulted from improper decisions on these matters.

The State agency or its designee operating the relevant component shall receive sufficient advance notice to either permit the attendance of a representative or ensure that a representative will be available for questioning over the phone during the hearing. A representative of the appropriate agency shall be available through one of these means.

A household shall be allowed to examine its E&T component case file at a reasonable time before the date of the fair hearing, except for confidential information (which may include test results) that the agency determines should be protected from release. Confidential information not released to a household may not be used by either party at the hearing. The results of the fair hearing shall be binding on the State agency.

2. Failure to Comply With a Work Requirement Under Title IV of the Social Security Act or Unemployment Compensation Work Requirement

- i A household member who has refused or failed without good cause to comply with a Reach Up work requirement or unemployment compensation requirement shall still be considered exempt from work registration in accordance with paragraph (b)(1)(iii) or (b)(1)(v) of this section.
- ii If the State determines that the Title IV or unemployment compensation requirement is comparable, the individual or household (if the individual who committed the violation is the head of household) shall be disqualified in accordance with the following provisions. The State agency shall provide a notice of adverse action as specified in 273.13 within 10 days after learning of the household member's noncompliance with the unemployment compensation or Title IV requirement. The notice shall comply with the requirements of 273.7(g)(1). An individual or household shall not be disqualified from participation if the noncomplying member meets one of the work registration exemptions provided in §273.7(b) other than the exemptions provided in paragraphs (b)(1)(iii) and (b)(1)(v) of that section. Household members who fail to comply with a

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.7h Date of this Memo 04/19/1990 Page 1 of 1

This Memo: is New Replaces one dated _____

QUESTION: Policy states that during the two month disqualification period for noncompliance with work registration or Employment and Training requirements, eligibility may be reestablished and the household or individual, if otherwise eligible, may resume participation provided there has been compliance, or the reason for noncompliance has become invalid.

How is eligibility reestablished?

ANSWER: A disqualified household must reapply. According to a Federal Policy Memorandum dated September 1, 1989, disqualified households:

- a. are responsible for reporting compliance and providing verification if requested;
- b. may apply for benefits on the date of compliance or anytime thereafter;
- c. will be certified for benefits from the date of application; and
- d. will have applications denied that are submitted before there is compliance.

A participating household with a disqualified member:

- a. is responsible for reporting the member's compliance and providing verification if requested;
- b. may report compliance on the compliance date or anytime thereafter; and
- c. will have compliance treated as a reported change in household composition and acted upon in accordance with the provisions of 273.12.

Work Requirements

noncomparable Title IV or unemployment compensation requirement shall lose their exemption under 273.7(b)(1)(iii) and (v), and must register for work if required to do so in §273.7(a).

- iii If the State agency determination of noncompliance with a comparable Title IV or unemployment compensation work requirement leads to a denial or termination of the individual or household's food stamp benefits, the individual or household has a right to appeal the decision in accordance with the provisions of §273.7(g)(1).
- iv A disqualified individual or household may resume participation in the Program in accordance with paragraph (h) of this section.
- v
- vi

VERMONT: The WIN Program is now obsolete and has been replaced by the Job Opportunities and Basic Skills program (JOBS), known as Reach Up on Vermont. The policy above now applies to JOBS requirements.

h. Ending Disqualification

Following the end of the disqualification period for noncompliance with the work registration or employment and training requirements described at 273.7(g)(1)(i), participation may resume if a disqualified individual or household applies again and is determined eligible. An individual who has been disqualified for noncompliance may be permitted to resume participation during the disqualification period (if otherwise eligible) by becoming exempt from work registration.

An individual who has met the minimum disqualification may then become eligible by complying with the following appropriate requirements:

1. Refusal to register registration by the household member.
2. Refusal to respond to a request from the State agency or its designee requiring supplemental information regarding employment status or availability for work compliance with the request.
3. Refusal to report to an employer to whom referred reporting to this employer if work is still available or to another employer to whom referred.
4. Refusal to accept a bona fide offer of suitable employment to which referred acceptance of the employment if still available to the participant, or securing other employment which yields earnings per week equivalent to the refused job, or securing any other employment of at least 30 hours per week or securing employment of less than 30 hours per week but with weekly earnings equal to the Federal minimum wage multiplied by 30 hours.
5. Refusal to comply with a state agency (or its designee) assignment as part of an FCS approved Employment and Training program compliance with the assignment or an alternate assignment by the State agency.

i. Suitable Employment

1. In addition to any criteria established by State agencies, employment shall be considered unsuitable if:

Work Requirements

- i The wage offered is less than the highest of:
 - A. The applicable Federal minimum wage;
 - B. The applicable State minimum wage; or
 - C. Eighty percent (80%) of the Federal minimum wage if neither the Federal nor State minimum wage is applicable.
 - ii The employment offered is on a piece rate basis and the average hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wages specified under paragraph (i)(1)(i) of this section.
 - iii The household member, as a condition of employment, or continuing employment, is required to join, resign from, or refrain from joining any legitimate labor organization.
 - iv The work offered is at a site subject to a strike or lockout at the time of the offer unless the strike has been enjoined under 208 of the Labor Management Relations Act (29 U.S.C. 78) (commonly known as the Taft Hartley Act), or unless an injunction has been issued under section 10 of the Railway Labor Act (45 U.S.C. 160).
2. In addition, employment shall be considered suitable unless the household member involved can demonstrate or the State agency otherwise becomes aware that:
- i The degree of risk to health and safety is unreasonable.
 - ii The member is physically or mentally unfit to perform the employment, as documented by medical evidence or by reliable information from other sources.
 - iii The employment offered within the first 30 days of registration is not in the member's major field of experience.
 - iv The distance from the member's home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting. Employment shall not be considered suitable if daily commuting time exceeds two hours per day, not including the transporting of a child to and from a child care facility. Nor shall employment be considered suitable if the distance to the place of employment prohibits walking and neither public nor private transportation is available to transport the member to the jobsite.
 - v The working hours or nature of the employment interferes with the member's religious observances, convictions, or beliefs. For example, a Sabbatarian could refuse to work on the Sabbath.
- j. Participation of Strikers
Strikers whose households are eligible under the criteria in 273.1g shall be subject to the work registration requirements unless exempt under paragraph (b) of this section at the time of application.
- k. Registration of PA, GA, and Refugee Households
1. State agencies may request approval from FNS to substitute State or local procedures for work registration for PA households not subject to the work requirements under Title IV of the Social Security Act or for GA households. Work requirements imposed on refugees

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.7n Date of this Memo 09/30/1987 Page 1 of 1

This Memo: is New Replaces one dated 07/03/1985

QUESTION: According to ANFC/WIN regulations, employment does not meet criteria of “appropriate work” if the wage less mandatory deductions and a reasonable allowance for necessary employment expenses is less than ANFC cash benefits. If the Food Stamp head of household, as defined in 273.1(d)(2), quit such a job, could the fact that the job did not meet WIN suitability criteria be considered “good cause”?

ANSWER: Yes. “Good cause” requires the exercise of worker judgment and cannot be fully defined in written regulations. To aid in the decision, Vermont will say that when the Food Stamp head of household quits his or her job, and that head of household is also a member of an ANFC applicant or recipient household that is not sanctioned in ANCF for the quit because the job did not meet that program’s criteria for appropriate work, the quit will be considered for “good cause” under Food Stamp rules. It will not be considered suitable employment.

QUESTION: An applicant/recipient says the reason for job termination was “lay-off”. The employer, when contacted, says the termination was a quit and describes circumstances which would leave the worker to believe that the quit was without good cause. Based on this information, should the worker send a denial or closure notice because of voluntary quit without good cause?

ANSWER: No. It is not unusual for individuals to generalize about the circumstances of job terminations by using the term “lay-off.” The worker must contact the household member again to obtain his or her view of the specific circumstances. If it was indeed a voluntary quit, the worker cannot determine good cause in accordance with the requirements of Food Stamp regulations without obtaining input from the Food Stamp household member, as well as the employer. It may also be necessary to contact the employer a second time before reaching a decision.

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participating in refugee resettlement programs including but not limited to the Indochinese Refugee Assistance Program may also be substituted, with FNS approval. To receive approval, it must be demonstrated that:

- i The work registration procedures are at least equivalent to Food Stamp work registration requirements.
- ii Registrant's activities are monitored so that appropriate sanctions as required by these regulations will be applied. However, if additional work requirements (beyond those required under this section) are placed on household members, a household's Food Stamp benefits shall not be denied for the failure of a household member to comply with a requirement that exceeds the requirements of this section. For example, if a State rule requires individuals to register for work through age 65, any individual 60 years of age or older who fails to comply shall not be denied food stamp benefits as a result of that failure.
- iii All household members which are not exempt under paragraph (b)(1) are either registered for work under such Federal, State or local programs as described in this paragraph, or are registered for work as provided in paragraph (a) of this section.

VERMONT: Not Requested — all Food Stamp households must meet work registration requirements.

2. Household members who are program participants under Title IV of the Social Security Act or registered for work under unemployment compensation and fail to comply with comparable work requirements of those programs shall be handled in accordance with the provisions in paragraph 273.7(g)(2).

1. SSI Applicants

Household members who are applying for SSI and for Food Stamps under §273.2(k)(1)(i) shall have the requirement for work registration waived until:

1. They are determined eligible for SSI and thereby become exempt from work registration, or
2. They are determined ineligible for SSI and, where applicable, a determination of their work registration status is then made through recertification procedures in accordance with §273.2(k)(1)(iii)(B)(2), or through other means.

m. Determining Good Cause

The State Agency shall be responsible for determining good cause in those instances where the work registrant has failed to comply with the work registration, employment and training, and voluntary quit requirements of this section. In determining whether or not good cause exists, the State agency shall consider the facts and circumstances, including information submitted by the household member involved and the employer. Good cause shall include circumstances beyond the member's control, such as, but not limited to, illness, illness of another household member requiring the presence of the member, a household emergency, the unavailability of transportation or the lack of adequate child care for children who have reached age six but are under age 12.

n. Voluntary Quit or Work Reduction

Sixty days or less prior to the date of application or at any time thereafter, no individual who, without good cause, voluntarily quits a job or reduces his/her work effort and, after the reduction is working less than 30 hours per week, shall be eligible for participation in the program as

Work Requirements

specified below. This provision does not apply to individuals exempt from the work requirement as specified at 273.7(b). At the time of application, the State agency shall explain to the applicant the consequences of an individual quitting a job or reducing work hours without good cause.

1. Determining Whether a Voluntary Quit or Work Reduction Occurred and Application Processing

- i When a household files an application for participation, or when a participating household reports the loss of a source of income the State agency shall determine whether any household member voluntarily quit a job or reduced work hours. Benefits shall not be delayed beyond the normal processing times specified in section 273.2 pending the outcome of this determination. This provision applies only if the employment involved 20 hours or more per week or provided weekly earnings at least equivalent to the Federal minimum wage multiplied by 20 hours; the quit or work reduction occurred within 60 days prior to the date of application or any time thereafter; and the quit or work reduction was without good cause. Changes in employment status that result from terminating a self employment enterprise or resigning from a job at the demand of the employer will not be considered a voluntary quit or work reduction, for purposes of this section. An employee of the Federal Government, or of a State or local government, who participates in a strike against such government, and is dismissed from his or her job because of participation in the strike, shall be considered to have voluntarily quit his or her job without good cause. If an individual quits a job, secures new employment at comparable wages or hours and is then laid off or, through no fault of his own loses the new job, the earlier quit will not form the basis of a disqualification.
- ii In the case of an applicant household, the State agency shall determine whether any currently unemployed (i.e. employed less than 20 hours per week or receiving less than weekly earnings equivalent to the Federal minimum wage multiplied by 20 hours) household member who is required to register for work or who is exempt through 273.7(b)(1)(vii) has voluntarily quit or reduced work hours from his or her job within the last 60 days. If the State agency learns that a household has lost a source of income after the date of application but before the household is certified, the State agency shall determine whether a voluntary quit or work reduction occurred.
- iii The State agency shall determine whether any household member voluntarily quit or reduced hours from his or her job while participating in the program, within 60 days prior to applying for participation, or in the time between application and certification. If a household is already participating when a quit or reduction of hours which occurred prior to certification is discovered, the household shall be regarded as a participating household and the sanction shall be imposed as specified at 273.7(g)(1)(i).
- iv Upon a determination that the individual quit employment or reduced work hours, the State agency shall determine if the voluntary quit or work reduction was with good cause as defined in 273.7(n)(3). In the case of an applicant, if the voluntary quit or work reduction was without good cause, the individual shall be denied and sanction imposed as specified at 273.7(g)(1)(i), starting from the date of quit or work reduction. The State agency shall provide the applicant household with a notice of denial in accordance with 273.2(g)(3). The notice shall inform the household of the proposed period of disqualification; its right to have the individual's eligibility redetermined at the end of the disqualification period; and of its right to a fair hearing. In the case of participating households, benefits shall be reduced or terminated for the required sanction period, in accordance with paragraph (n)(1)(vi) of this section.

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- v If the State agency determines that the individual voluntarily quit or reduced hours of his or her job while participating in the program, or discovers a quit or reduced hours which occurred within 60 days prior to application for benefits or between application and certification, the State agency shall provide the household with a notice of adverse action as specified in 273.13 within 10 days after the determination of a quit or work reduction. Such notification shall contain the particular act of noncompliance committed, the proposed period of ineligibility of the individual, the actions which may be taken to end or avoid the disqualification, and shall specify that the individual may reapply at the end of the disqualification period.

The period of ineligibility shall run as specified in 273.7(g)(1)(i).

If a voluntary quit or work reduction occurs in the last month of a certification period or is determined in the last 30 days of the certification period, the individual shall be denied recertification for a period, as specified in 273.7(g)(1)(i) beginning with the day after the last certification period ends. If such individual does not apply for Food Stamp benefits by the end of the certification period, a claim shall be established for the benefits received by the individual for the sanction period beginning the first of the month after the month in which the quit or work reduction occurred. If there are insufficient days from the first of the month after the month in which the quit occurred to the end of the certification period, a claim shall be imposed, and the individual shall remain ineligible for benefits for a prorated number of days, with the end result that a claim was established or the individual was ineligible for a full sanction period.

Each household has a right to a fair hearing to appeal a denial or termination of benefits due to a determination that an individual voluntarily quit or reduced work hours from his or her job without good cause. If the participating individual's benefits are continued pending a fair hearing and the State agency determination is upheld, the disqualification period shall begin the first of the month after the hearing decision is rendered.

- vi Persons who have been disqualified for quitting a job or reducing hours of work will carry their sanction with them if they join a new household.
- vii If an application for participation in the program is filed in the last month of disqualification, the Department shall, in accord with Section 273.10(a)(3), use the same application for the denial of benefits in the remaining month of disqualification and certification for any subsequent months, if all other eligibility criteria are met.

2. Exemptions from Voluntary Quit or Work Reduction Provisions

Persons who are exempt from the work registration provisions in 273.7(b) at the time of the quit or work reduction, with the exception of those exempted by 273.7(b)(1)(vii) shall be exempt from the voluntary quit and work reduction provisions.

3. Good Cause

Good cause for leaving or reducing employment includes the good cause provisions found in 273.7(m), and resigning from a job that does not meet the suitability criteria specified in 273.7(i). Good cause for leaving employment shall also include:

- i Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin or political beliefs;
- ii Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule;

Work Requirements

- iii Acceptance by the primary wage earner of employment, or enrollment of at least half time in any recognized school, training program or institution of higher education, that requires the primary wage earner to leave employment;
- iv Acceptance by any other household member of employment or enrollment at least half time in any recognized school, training program or institution of higher education in another county or similar political subdivision which requires the household to move and thereby requires the primary wage earner to leave employment;
- v Resignations by persons under the age of 60 which are recognized by the employer as retirement;
- vi Employment which becomes unsuitable by not meeting the criteria specified in 273.7(i) after the acceptance of such employment;
- vii Acceptance of a bona fide offer of employment of more than 20 hours a week or in which the weekly earnings are equivalent to the Federal minimum wage multiplied by 20 hours which, because of circumstances beyond the control of the primary wage earner, subsequently either does not materialize or results in employment of less than 20 hours a week or weekly earnings of less than the Federal minimum wage multiplied by 20 hours; and
- viii Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another such as migrant farm labor or construction work. There may be some circumstances where households will apply for Food Stamp benefits between jobs particularly in cases where work may not yet be available at the new job site. Even though employment at the new site has not actually begun, the quitting of previous employment shall be considered as with good cause, if part of the pattern of that type of employment.

4. Verification

- i To the extent that the information given by the household is questionable, as defined in 273.2(f)(2), the Department shall request verification of the household's statements. The primary responsibility for providing verification as provided in 273.2(f)(5) rests with the household. If it is difficult or impossible for the household to obtain documentary evidence in a timely manner, the Department shall offer assistance to the household to obtain the needed verification. Acceptable sources of verification include, but are not limited to, the previous employer, employee associations, union representatives and grievance committees or organizations. Whenever documentary evidence cannot be obtained, the Department shall substitute a collateral contact. The Department is responsible for obtaining verification from acceptable collateral contacts provided by the household.
- ii If the household and Department are unable to obtain requested verification from these or other sources because the cause for the quit resulted from circumstances that for good reason cannot be verified, such as resignation from employment due to discrimination practices or unreasonable demands by an employer or because the employer cannot be located, the household will not be denied access to the program.

5. Ending a Voluntary Quit or Work Reduction Disqualification

INTERPRETIVE MEMO

Food Stamps Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page: 273.7o **Effective date of this memo:** 12/13/2013 **Page:** 1

This memo: is new **Replaces one dated:** 5/1/2006

UPDATE: ABAWD exemption from work requirements

An ABAWD (able-bodied adult without dependents) is exempt from the ABAWD work requirement if there is a member of the ABAWD's 3SquaresVT household under the age of 18. The individual under 18 does not have to be a dependent of the ABAWD.

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- i Following the end of the disqualification period an individual may begin participation in the program if the individual reapplies, if necessary and is otherwise eligible.
- ii Eligibility for a household that includes a disqualified individual may be re calculated during a disqualification period if:
 - the disqualified individual secures new employment comparable in salary or hours to the job that was quit or for which there were reduced hours;
 - qualifies for an exemption from the work requirement listed in 273.7(b), except for those listed in paragraphs (b)(1)(iii) or (b)(1)(v) of that section;
 - or leaves the household.

Comparable employment may entail fewer hours or a lower net salary than the job that was quit. Should an individual who has been determined to be noncompliant without good cause move to another household, the sanction shall follow that individual.

o. Performance Standards

(Procedural requirement not applicable to the Policy Manual.)

p. State Noncompliance with Employment and Training Requirements

(Procedural requirement not applicable to the Policy Manual.)

q. Work Requirement for Able-Bodied Adults Without Dependents

1. To be eligible for food stamps, an individual must meet at least one of the following three criteria:
 - a He/she must meet the work, work program or workfare requirement defined in paragraph 3 below
 - b He/she must meet one of the exemption criteria in paragraph 2 below.
 - c He/she must have received food stamps in fewer than 3 of the preceding 36 months during which he or she did not also meet the work, work program, or workfare requirement defined in paragraph 3 below, excluding any months in which the individual was exempt according to paragraph 2 below.
2. An individual is exempt from this work requirement if he or she is:
 - a under 18 or over 50 years of age,
 - b medically certified as physically or mentally unfit for employment,

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NOTE: A physical or mental condition(s) that precludes work must be documented in accordance with department standards. For an individual who is uninsured or insured under a fee-for-service health plan, the condition and the length of its anticipated duration must be verified by a signed statement from a licensed physician or licensed psychologist who is eligible to receive Medicaid payments. For individuals insured under a managed care plan, the condition and length of its anticipated duration must be verified by a signed statement from a licensed physician, licensed psychologist or other licensed practitioner whose services to the individual have been authorized by the managed care plan. The department shall pay the reasonable expense of required medical examinations but may require, and pay for, a second opinion. An individual who is eligible for SSI/AABD, social security disability payments, worker's compensation, railroad disability pension payments, private employer disability payments, Medicaid disability benefits, Veterans Administration needs-based pension payments, or General Assistance benefits based on an inability to work meets this criterion. An individual does not meet this exemption criterion for any month in which he or she is unable to work for fewer than fifteen days in that month.

- c responsible for a dependent child,
- d otherwise exempt according to a provision at 273.7b.

NOTE: An individual claiming an exemption under 273.7b iv for caring for an incapacitated person qualifies for this exemption if the incapacitating condition and the necessity for the food stamp applicant or recipient to provide care to the incapacitated person is verified by a signed statement from the incapacitated person's physician or licensed practitioner. For an incapacitated individual who is uninsured or insured under a fee-for-service health plan, the statement must be provided by a licensed physician or a licensed psychologist who is eligible to receive Medicaid payments. For an incapacitated individual insured under a managed care health plan, the statement must be provided by a licensed physician, licensed psychologist, or other licensed practitioner whose services to the individual have been authorized by the managed care plan. The department shall pay the reasonable expense of required medical examinations but may require, and pay for, a second opinion. An Essential Person, defined at 2751, meets this exemption criteria.

- e pregnant.
- f living in an area of the state or part of a category of individuals within an area of the state deemed exempt from this requirement by the Secretary of the Department of Agriculture,
- g homeless, as defined at 271.2 under "homeless individual." Eligibility under this barrier shall be contingent upon active participation in any service program designed to make the individual more self-sufficient that is available at the shelter or halfway house in which the individual resides or at a community-based organization that provides services targeted specifically to homeless individuals and is accessible to the applicant or recipient.

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- h found to meet two of the following three barriers to employment:
1. Has an eighth-grade education or less, is unable to read or write, or is unable to speak English. Eligibility under this barrier for individuals with an eighth-grade education or less or an inability read or write shall be contingent upon enrollment and active participation in an Adult Basic Education or other approved/recognized educational program, as available. Eighth-grade education means completion of eighth grade, but not completion of ninth grade. Eligibility under this provision for individuals who do not speak English is contingent upon enrollment and active participation in an English language program, as available. The ABE or similar program or English language program is not considered available if the individual meets the criteria under 273.7 q 2 i 1, below, with respect to accessing a site where ABE, similar services, or English language instruction is provided.
 2. Has been employed or self-employed fewer than six months in the last five years and has been a full-time student fewer than six months in the last five years.
 3. Has been released from a mental health institution or mental health hospital unit within the last six months.

The DSW eligibility worker will assess the individual for the three barriers to employment. If two or more barriers exist, the individual will be given an exemption. The DSW eligibility worker will review this exemption at the individual's next food stamp certification or within six months, whichever is shorter.

If one or none of these barriers exists, the individual will be referred to the Department of Employment and Training (DET).

- i has been determined eligible for a transportation-related exemption that can last no longer than six months because the conditions specified in 1., 2., and 3. below apply:
1. None of the following circumstances are true for this individual:
 - has a valid motor vehicle operator's license and has access, sufficient to support participation in a work-for-benefits placement, to a functioning, registered motor vehicle;
 - has access to public transportation, sufficient to support participation in a work-for-benefits placement, within one and one-half miles of his or her home; and
 - has access to a car or van pool or comparable transportation resources, sufficient to support participation in a work-for-benefits placement, within one and one-half miles of his or her home.

Individuals for whom none of these circumstances are true shall be required to walk, or use other available means of transport, to any available job or work-for-benefits placement located within one and one-half miles of his or her home.

2. The Department of Employment and Training (DET) has, for four weeks, sought to develop for this individual a job or work for benefits placement located within one and one half miles of the individual's home and all such efforts by DET have been unsuccessful.
3. DET has determined that the individual's lack of readily available transportation resources (as described under number one) can be reasonably expected to continue

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and the lack of a readily available job or work-for-benefits placement (as described under number two) can be reasonably expected to continue.

The DET staff member working with the individual is responsible for determining initial eligibility for this exemption. When the exemption has expired, a DET staff member must follow the process described above, including having sought, for four weeks, to develop for this individual a job or work for benefits placement located within one and one half miles of the individual's home and having been unsuccessful, before the DET staff member can determine the individual eligible for a second or subsequent transportation-based exemption.

3. To meet the work, work program or workfare requirement, an individual must:
 - a work 20 hours or more per week in unsubsidized employment, averaged monthly;
 - b participate in and comply with the requirements of a work program, as defined in paragraph 4 below, 20 hours or more per week, as determined by the state agency; or
 - c participate in and comply with a workfare program operated by the state as described in Section 20 of the Food Stamp Act of 1977 or a comparable program established by the state or a political subdivision of the state.

4. For the purposes of this requirement, a work program means:
 - a a program under the Job Training Partnership Act,
 - b a program under section 236 of the Trade Act of 1974, or
 - c a program of employment and training operated by the state, including an employment and training program described at 273.7, but excluding a job search or job search training program.

5. An individual who is denied eligibility under paragraph 1 above may regain eligibility for food stamps if, during a 30-day period, the individual:
 - works 80 hours or more; or
 - participates in and complies with the requirements of a work program for 80 or more hours, as determined by a state agency; or
 - participates in and complies with a workfare program under section 20 of the Food Stamp Act of 1977 or a comparable program established by a state or a political subdivision of a state.

An individual who regains eligibility as indicated above, shall remain eligible as long as the individual meets the requirements in paragraph 1.

An individual who regains eligibility and then subsequently no longer meets the requirements in paragraph 1 shall be eligible for an additional, consecutive, 3-month period, if otherwise eligible, even though the individual does not meet the requirements in paragraph 1. The period begins on the date the individual first notifies the state agency that the individual no longer meets the requirements in paragraph 1. Under this provision, an individual shall not receive any benefits for more than a 3-month period in any 36-month period.

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The term "preceding 36-month period" as used in paragraphs 1 (c) and 5 above does not include any period earlier than November 22, 1996.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.8a Date of this Memo 01/01/2009 Page 1 of 1

This Memo: is New Replaces one dated _____

Eligibility Expansion and Administrative Simplification

As allowed under federal SNAP rules, the department exercises an option to further expand categorical eligibility rules for Non-Public Assistance (NPA) households, effective January 1, 2009. NPA households are subject to a gross income test of 185% of the federal poverty level (FPL) and their asset test is eliminated. Receipt of the AHS Screen Door informational bookmark (produced under a cost allocation plan that includes partial funding from the TANF block grant) confers categorical eligibility.

This program expansion will relieve clients of the burden of providing asset information and verifications for 3SquaresVT, the renamed Food Stamp Program. DCF staff will no longer have to request and review asset verifications or explore asset-related matches for these households. This change will increase participation in the program by working families, seniors, and people with disabilities who may have had income above 130% FPL in the past. Additionally, it will save case processing time and reduce quality control errors.

Clients applying for other benefit programs or receiving other benefits in addition to 3SquaresVT are still required to follow those programs' requirements about asset limits and reporting and verifying asset information. Such requests for information and verification should not affect or delay determination of 3SquaresVT eligibility for categorically eligible households.

Exceptions to this new categorical eligibility are households in which the entire household is disqualified because one or more of its members failed to comply with the ABAWD work-for-benefits component in accordance with 273.22, or the entire household is institutionalized, or any member of the household is disqualified for an intentional program violation in accordance with 273.16, or the head of household is disqualified for failure to comply with 3SquaresVT work requirements, in accordance with 273.7.

A household with income greater than 185% of FPL, that contains any member over age 60 or any person with a disability, and that does not meet any other categorical eligibility rule, will not be eligible for expanded categorical eligibility. Such households must not have assets greater than \$3,000. In these situations, the worker must request asset information and appropriate verifications to determine eligibility.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.8b **Date of this Memo** 09/16/2002 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: What is the maximum allowable resource amount for food stamp households that include a disabled member?

ANSWER: Effective October 1, 2002, the maximum allowable resources of all members of a household that includes a disabled member is \$3,000. The maximum allowable resource amount for all other food stamp households has not changed.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.8d Date of this Memo 01/11/1988 Page 1 of 1

This Memo: is New Replaces one dated _____

QUESTION: What do I do when a Food Stamp applicant or recipient's name is on a jointly held asset and the applicant or recipient claims that he or she owns less of the asset (either a portion of it or no ownership at all) than policy indicates should be counted in determining resource eligibility?

ANSWER: The worker's responsibility in such a situation is to make a determination as to whether or not the applicant or recipient's claim is justified.

Federal regulations allow states to establish criteria, consistent with State law, for determining the ownership of jointly held resources. Vermont case law (Supreme Court decision, *Stephen v. Lynch*) states that for a resource to be owned by an individual it must be "delivered" to and "accepted" by him or her. Consequently, two or more signatures on a bank account do not necessarily mean the funds in the account are owned by all of the signers.

If an applicant or recipient's name appears on an asset (e.g. a bank account or a property deed) and he or she claims no ownership or ownership of a smaller portion of the asset than policy indicates should be counted, the worker must do the following:

A. Gather information relevant to applicant or recipient's claim. This should include contacting all other persons whose names appear on the asset. (In the case of jointly held bank accounts, workers should use the DSW 208B for this purpose).

On the basis of the information obtained, the worker decides whether he or she concurs with the applicant/recipient's claim.

In addition, supervisory approval is required before an asset can be excluded or partially excluded as a resource.

B. If the worker does not concur with the applicant or recipient's claim, the asset or a percentage of the asset, whichever policy requires, must be counted towards the Resource Maximum.

C. If the worker and supervisor concur with the applicant or recipient's claim, the owner (or owners) of the asset and the applicant or recipient must sign a statement attesting to the fact that the applicant or recipient's signature is on the asset solely for a specified reason and that he or she owns none of the asset, or owns a specific amount which is less than what policy indicates should be counted.

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Reference 273.8e Date of this Memo 04/13/2013 Page 1 of 1

This Memo: is New Replaces one dated 06/09/1992

QUESTION: One of the 1991 amendments to the Food Stamp Act says that if a 3SquaresVT household member is an SSI recipient, that member is categorically resource eligible for 3SquaresVT and that member's resources cannot be included when a household's total resources are calculated. Does this apply to money set aside in a Plan to achieve Self-Support (PASS plan)?

ANSWER: Yes

Resource Eligibility Standards

273.8 Resource Eligibility Standards (07/01/2001, 01-05)

a. Uniform Standards

The state agency shall apply the uniform national resource standards of eligibility to all applicant households, including those households in which members are recipients of federally aided public assistance, general assistance, or supplemental security income. Households that are categorically eligible as defined in 273.2(j)(2) do not have to meet the resource limits or definitions in this section.

b. Maximum Allowable Resources

The maximum allowable resources, including both liquid and nonliquid assets, of all members of the household shall not exceed \$2,000 for the household, except that, for households including a member or members age 60 or over, such resources shall not exceed \$3,000.

c. Definition of Resources

In determining the resources of a household, the following shall be included and documented by the State agency in sufficient detail to permit verification:

1. Liquid resources, such as cash on hand, money in checking or savings accounts, savings certificates, stocks or bonds, lump sum payments as specified in 273.9(c)(8), funds held in individual retirement accounts (IRA's), and funds held in Keogh Plans which do not involve the household member in a contractual relationship with individuals who are not household members. In counting resources of households with IRA's or includable Keogh Plans, the state agency shall include the total cash value of the account or plan minus the amount of the penalty (if any) that would be exacted for the early withdrawal of the entire amount in the account or plan; and
2. Nonliquid resources, personal property, licensed and unlicensed vehicles, buildings, land, recreational properties, and any other property provided that these resources are not specifically excluded under paragraph (e) of this section. The value of nonexempt resources, except for licensed vehicles as specified in paragraph (h) of this section, shall be its equity value. The equity value is the fair market value less encumbrances.
3. For households containing sponsored aliens (as defined in 273.11j 1), resources shall also include that portion of the resources of an alien's sponsor and the sponsor's spouse (if living with the sponsor) which have been deemed to be those of the alien in accordance with the procedures established in 273.11j, unless the sponsored alien is otherwise exempt from this provision in accordance with 273.11j.

d. Jointly Owned Resources

Resources owned jointly by separate households shall be considered available in their entirety to each household, unless it can be demonstrated by the applicant household that such resources are inaccessible to that household. If the household can demonstrate that it has access to only a portion of the resource, the value of that portion of the resource shall be counted toward the household's resource level. The resource shall be considered totally inaccessible to the household if the resource cannot practically be subdivided and the household's access to the value of the resource is dependent upon the agreement of the joint owner who refuses to comply. For the purpose of this provision, ineligible aliens or disqualified individuals residing with the household shall be considered household members. Resources shall be considered inaccessible to persons residing in shelters for battered women and children, as defined in 271.2, if:

1. the resources are jointly owned by such persons and by members of their former household; and

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Reference 273.8e **Date of this Memo** 01/23/1998 **Page** 1 **of** 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: The Central Vermont Community Action Council (CVCAC) was awarded a grant to develop a Tangible Assets project to help low-income, working family build cash savings from their earned income. The CVCAC Tangible Assets project will operate in Washington, Orange, and Lamoille counties and in Barnard, Bethel, Granville, Hancock, Pittsfield, Royalton, Sharon, and Stockbridge. Earnings deposited into a special savings account by the family and earmarked for first home purchase, postsecondary education expenses, or business capitalization will be matched by the project. How should we treat funds deposited into a Tangible Assets special account?

ANSWER: The savings in these special accounts and any interest earned on those savings are excluded resources, as allowed by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

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Reference 273.8e Date of this Memo 03/03/1995 Page 1 of 1

This Memo: is New Replaces one dated 05/31/1990

QUESTION: How are payments received from the Agent Orange Settlement Fund considered in determining Food Stamp eligibility and benefits?

ANSWER: According to Public Laws 101 and 201 (enacted 12/6/89), no payment from the Agent Orange Settlement Fund or any other fund established because of the Agent Orange product liability litigation shall be considered income or resources in determining eligibility for, or the amount, of, benefits under any Federal or Federally assisted program.

Veterans will receive a payment each year they are disabled during the life of the program. Survivors of deceased veterans will receive one lump sum payment. Neither payment may be counted as income or resources.

This policy will be implemented for new applications and at recertifications of ongoing cases. Lost benefits will have to be restored back to 1/1/89 or under issued Food Stamps due to receipt of Agent Orange payments.

QUESTION: How do we treat the compensation paid to individuals as restitution because of their status as victims of Nazi Persecution?

ANSWER: Effective August 1, 1994, this compensation is excluded from income and resources as provided by Public Law 103-286.

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Reference 273.8e **Date of this Memo** 05/31/1990 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Should resources that are discovered by the Department of which the household was unaware, be considered accessible to the household?

ANSWER: No. Resources shall be considered inaccessible to the household as long as they were truly unknown to the household. Once the household discovers resources that are legally available to them, the resources must be counted in determining the household's eligibility for Food Stamps. In other words, at the point the household is made aware of the resources, the resources shall be available to them from that time forwards.

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Reference 273.8e Date of this Memo 11/16/1993 Page 1 of 2

This Memo: is New Replaces one dated 09/28/93

QUESTION: How will financial assistance, received for graduate and postsecondary undergraduate education, be treated in determining need or eligibility for benefits amounts?

ANSWER: Effective July 1, 1993 all student financial assistance received under programs in Title IV of the Higher Education Act or under Bureau of Indian Affairs student assistance programs will be completely excluded as income and resources in the determination of eligibility and benefit amounts.

Some examples of student financial assistance authorized by Title IV of the Higher Education Act are:

- Basic Education Opportunity Grants (GEOG or PELL Grants);
- Presidential Access Scholarships (Super PELL Grants);
- Supplemental Education Opportunity Grants (SEOG);
- State Student Incentive Grants (SSIG);
- Federal Family Education Loan Program (Formally GSL);
 - Supplemental loans for Students
 - PLUS Loans for parents
 - Robert T. Stafford Student Loans
- Direct Loans to student in institutions of higher education (Perkins Loans, formerly NDSL, which are different than loans under the Carl D. Perkins Vocational and Applied Technology Education Act)
- Federal Work Study Funds (Note: Not all Federal work study funds come under Title IV of the Higher Education Act.)
- Trio Grants (Go to organizations or institutions for students from disadvantaged backgrounds):
 - Upward Bound (Some Stipends go to students)
 - Student Support Services
 - Robert E. McNair Post-Baccalaureate Achievement
- Robert C. Byrd Honors Scholarship Program;
- College Assistance Migrant Program (CAMP) for students whose families are engaged in migrant and seasonal farm work;

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Reference 273.8e **Date of this Memo** 11/16/1993 **Page** 2 of 2

This Memo: **is New** **Replaces one dated** 09/28/93

- High School Equivalency Program (HEP);
- National Early Intervention Scholarship and Partnership Program.

Any underpayments discovered during a periodic eligibility review or the processing of another change or brought to your attention by a recipient, should be corrected retroactively as per Procedures – Restoration of Lost Benefits (Underpayments).

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Reference 273.8e **Date of this Memo** 04/03/2012 **Page** 1 of 1

This Memo: is New Replaces one dated _____

These Tax-Preferred Education Savings Account/Plans are excluded resources for 3SquaresVT.

Tax-Preferred Education Savings Accounts

Tax-Preferred Education Savings Accounts		
Educational Plan or Account Type	What is It?	Authorized Under
529 savings account plan	A tax-preferred investment plan designed to encourage saving for future higher education expenses of a designated beneficiary, typically one's child or grandchild. In Vermont, called Vermont Higher Education Investment Plan, administered by VSAC.	Section 529 of the Internal Revenue Code
Coverdell Education Savings Account (ESA)	A trust or custodial account set up to pay qualified education expenses for the designated beneficiary of the account as tax free distributions. This benefit applies to elementary and secondary as well as higher education expenses.	Originally known as Education IRAs; available on January 1, 1998. The name was changed to Coverdell “Education Savings Accounts” by the Economic Growth and Tax Relief Reconciliation Act of 2001 (“EGTRRA”), effective as of January 1, 2002.

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Reference 273.8e Date of this Memo 04/01/2012 Page 1 of 1

This Memo: is New Replaces one dated _____

The Tax Preferred Retirement Account/Plans listed here are excluded resources for 3SquaresVT.

Retirement Plan or Account Type	What is It?	Authorized by
Pension or traditional defined-benefit plan*	Employer-based retirement plan that promises retirees a certain benefit upon retirement, regardless of investment performance.	Section 401(a) of the Internal Revenue Code
401(k) plan*	Defined-contribution plan that allows employees to contribute to their accounts from their salary or wages on a pre-tax basis (with earnings tax-exempt until withdrawal). Employers may or may not contribute.	Section 401(a) of the Internal Revenue Code
SIMPLE 401(k)*	401(k)-type plan available only to small businesses.	Section 401(a) of the Internal Revenue Code
501(c)(18)*	401(k)-type plan offered mostly by unions. Had to be set up prior to June 1959; now largely obsolete.	Section 501(c)(18) of the Internal Revenue Code
403(b) plan*	Tax-sheltered annuity or custodial account plan offered by certain tax-exempt organizations and public educational institutions. Many are salary reduction plans that look like 401(k)s.	Section 403(b) of the Internal Revenue Code

* Already exempt from the food stamp resource test under existing regulations.

** Keogh plans that involve a contractual obligation with someone who is not a household member were already exempt from the food stamp resource test before the Farm Bill.

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2. the shelter resident's access to the value of the resources is dependent on the agreement of a joint owner who still resides in the former household.

e. Exclusions From Resources

In determining the resources of a household, only the following shall be excluded:

1. The home and surrounding property which is not separated from the home by intervening property owned by others. Public rights of way, such as roads which run through the surrounding property and separate it from the home, will not affect the exemption of the property. The home and surrounding property shall remain exempt when temporarily unoccupied for reasons of employment, training for future employment, illness, or uninhabitability caused by casualty or natural disaster, if the household intends to return. Households that currently do not own a home, but own or are purchasing a lot on which they intend to build or are building a permanent home, shall receive an exclusion for the value of the lot and, if it is partially completed, for the home.
2. Household goods, personal effects, the cash value of life insurance policies, one burial plot per household member, and the value of one bona fide funeral agreement per household member, provided that the agreement does not exceed \$1,500 in equity value, in which event the value above \$1,500 is counted. The cash value of pension plans or funds shall be excluded, except that Keogh Plans which involve no contractual relationship with individuals who are not household members and individual retirement accounts (IRA's) shall not be excluded under this paragraph.

VERMONT: The full value of prepaid funeral agreements that are irrevocable or otherwise not accessible to household members is excluded under section 273.8e 8.

3. Licensed vehicles shall be excluded as specified in paragraph (h) of this section. The exclusion also includes unlicensed vehicles on those Indian reservations that do not require vehicles driven by tribal members to be licensed.
4. Property which annually produces income consistent with its fair market value, even if only used on a seasonal basis. Such property shall include rental homes and vacation homes.
5. Property, such as farm land or work related equipment, such as the tools of a tradesman or the machinery of a farmer, which is essential to the employment or self employment of a household member. Property essential to the self employment of a household member engaged in farming shall continue to be excluded for one year from the date the household member terminates his/her self employment from farming.
6. Installment contracts for the sale of land or buildings if the contract or agreement is producing income consistent with its fair market value. The exclusion shall also apply to the value of the property sold under the installment contract, or held as security in exchange for a purchase price consistent with the fair market value of that property.
7. Any governmental payments which are designated for the restoration of a home damaged in a disaster, if the household is subject to a legal sanction if the funds are not used as intended; for example, payments made by the Department of Housing and Urban Development through the individual and family grant program or disaster loans or grants made by the Small Business Administration.
8. Resources having a cash value which is not accessible to the household, such as but not limited to, irrevocable trust funds, security deposits on rental property or utilities, property in probate, and real property which the household is making a good faith effort to sell at a reasonable price and which has not been sold. The State agency may verify that the property

Resource Eligibility Standards

is for sale and that the household has not declined a reasonable offer. Verification may be obtained through a collateral contact or documentation, such as an advertisement for public sale in a newspaper of general circulation or a listing with a real estate broker. Any funds in a trust or transferred to a trust, and the income produced by that trust to the extent it is not available to the household, shall be considered inaccessible to the household if:

- i The trust arrangement is not likely to cease during the certification period and no household member has the power to revoke the trust arrangement or change the name of the beneficiary during the certification period:
 - ii The trustee administering the funds is either:
 - A. a court, or an institution, corporation, or organization which is not under the direction or ownership of any household member, or
 - B. an individual appointed by the court who has court imposed limitations placed on his/her use of the funds which meet the requirements of this paragraph:
 - iii Trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a household member, and
 - iv The funds held in irrevocable trust are either:
 - A. established from the household's own funds, if the trustee uses the funds solely to make investments on behalf of the trust or to pay the educational or medical expenses of any person named by the household creating the trust, or
 - B. established from non household funds by a non household member.
9. Resources, such as those of students or self employed persons, which have been prorated as income. The treatment of student income is explained in 273.10(c) and the treatment of self employment income is explained in 273.11(a).
10. Indian lands held jointly with the Tribe, or land that can be sold only with the approval of the Department of the Interior's Bureau of Indian Affairs; and
11. Resources which are excluded for Food Stamp purposes by express provision of Federal statute. The following is a listing of some of the resources excluded by Federal statute:
- i Payments received under the Alaska Native Claims Settlement Act (Pub. L. 92 203, Section 21(a)) or the Sac and Fox Indian claims agreement (Pub. L. 94 189);
 - ii Payments received by certain Indian tribal members under Pub. L. 94 114, Section 6, regarding submarginal land held in trust by the United States;
 - iii Benefits received from the special supplemental food program for women, infants and children (WIC) (Pub. L. 92 443, Section 9);
 - iv Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (Pub. L. 91 646, Section 216);
 - v Earned income tax credits received before January 1, 1980, as a result of Pub. L. 95 600, the Revenue Act of 1978.

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- vi Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94 540).
- vii Payments received by the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation from the Indian Claims Commission as designated under Pub. L. 95 433.
- viii Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96 420, Section 5).
- ix Payment of relocation assistance to members of the Navajo and Hopi Tribes under Pub. L. 93-531.

12. Earned income tax credits shall be excluded as follows:

- i A Federal earned income tax credit received either as a lump sum or as payments under section 3507 of the Internal Revenue Code for the month of receipt and the following month for the individual and that individual's spouse.
- ii Any Federal, State or local earned income tax credit received by any household member shall be excluded for 12 months, provided the household was participating in the Food Stamp Program at the time of receipt of the earned income tax credit and provided the household participates continuously during that 12-month period. Breaks in participation of one month or less due to administrative reasons, such as delayed recertification or missing or late monthly reports, shall not be considered as nonparticipation in determining the 12-month exclusion.

13. Where an exclusion applies because of use of a resource by or for a household member, the exclusion shall also apply when the resource is being used by or for an ineligible alien or disqualified person whose resources are being counted as part of the household's resources. For example, work related equipment essential to the employment of an ineligible alien or disqualified person shall be excluded (in accordance with paragraph (e)(5) of this section), as shall one burial plot per ineligible alien or disqualified household member (in accordance with paragraph (e)(2) of this section).
14. Energy assistance payments or allowances excluded as income under 273.9(c)(11).
15. Non-liquid asset(s) against which a lien has been placed as a result of taking out a business loan and the household is prohibited by the security or lien agreement with the lien holder (creditor) from selling the asset(s).
16. Property, real or personal, to the extent that it is directly related to the maintenance or use of a vehicle excluded under paragraphs (h)(1)(i), (h)(1)(ii) or (h)(1)(v) of this section. Only that portion of real property determined necessary for maintenance or use is excludable under this provision. For example, a household which owns a produce truck to earn its livelihood may be prohibited from parking the truck in a residential area. The household may own a 100-acre field and use a quarter-acre of the field to park and/or service the truck. Only the value of the quarter-acre would be excludable under this provision, not the entire 100-acre field.
17. The resources of a household member who receives SSI or PA benefits. A household member is considered a recipient of these benefits if the benefits have been authorized but not received, if the benefits are suspended or recouped, or if the benefits are not paid because

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they are less than a minimum amount. Individuals entitled to Medicaid benefits only are not considered recipients of SSI or PA.

18. State agencies shall develop clear and uniform standards for identifying kinds of resources that, as a practical matter, the household is unable to sell for any significant return because the household's interest is relatively slight or because the costs of selling the household's interest would be relatively great. A resource shall be so identified if its sale or other disposition is unlikely to produce any significant amount of funds for the support of the household. This provision does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments, or to vehicles. The determination of whether any part of the value of a vehicle is included as a resource shall be handled using the provisions of paragraph (h) of this section. The State agency may require verification of the value of a resource to be excluded if the information provided by the household is questionable. The following definitions shall be used in developing these standards:

- i "Significant return" shall be any return, after estimated costs of sale or disposition, and taking into account the ownership interest of the household, that is estimated to be one half or more of the applicable resource limit for the household; and
- ii "Any significant amount of funds" shall be funds amounting to one half or more of the applicable resource limit for the household.

f. Handling of Excluded Funds

Excluded funds that are kept in a separate account, and that are not commingled in an account with nonexcluded funds, shall retain their resource exclusion for an unlimited period of time. The resources of students and self employment households which are excluded as provided in paragraph (e) (9) of this section and are commingled in an account with non excluded funds shall retain their exclusion for the period of time over which they have been prorated as income. All other excluded moneys which are commingled in an account with nonexcluded funds shall retain their exemption for 6 months from the date they are commingled. After 6 months from the date of commingling, all funds in the commingled account shall be counted as a resource.

g. Fair Market Value of Licensed Vehicles

The fair market value of licensed automobiles, trucks, and vans will be determined by the average loan value of those vehicles as listed in publications written for the purpose of providing guidance to automobile dealers and loan companies. Publications listing the value of vehicles are usually referred to as "blue books". The state agency shall insure that the blue book used to determine the value of licensed vehicles has been updated within the last 6 months. The National Automobile Dealers Association's (NADA) Used Car Guide Book is a commonly available and frequently updated publication.

The state agency shall assign the fair market value to vehicles. The state agency shall not increase the basic value of a vehicle by adding the value of low mileage or other factors such as optional equipment. A household may indicate that for some reason, such as body damage or inoperability, a vehicle is in less than average condition. Any household that claims the blue book value does not apply to its vehicle shall be given the opportunity to acquire verification of the true value from a reliable source.

Also, households shall be asked to acquire verification of the value of licensed antique, custom made, or classic vehicles, if the state agency is unable to make an accurate appraisal. If a vehicle is especially equipped with apparatus for the handicapped, the apparatus shall not increase the value of the vehicle. The blue book value shall be assigned as if the vehicle were not so equipped.

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Reference 273.8h **Date of this Memo** 05/31/1990 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Is a household including a disabled member who can be transported in a normal vehicle entitled to a vehicle exclusion under 273.8(h)(1)(v)?

ANSWER: Yes. Contrary to all previous policy interpretations, if a household includes a disabled member requiring transportation, that household is entitled to a vehicle exclusion. The determining factor for a vehicle exclusion is that a physically disabled household member requires a vehicle for transportation.

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Reference 273.8h **Date of this Memo** 05/31/1990 **Page** 1 **of** 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: If a licensed vehicle is owned jointly by separate households, shall the value of the vehicle be considered available in its entirety to each household?

ANSWER: Yes. A licensed vehicle that is jointly owned under State law, where the names of owners appear on the title, should be treated as follows:

- A. The entire value of the vehicle is counted as accessible to each owner, regardless of the amount each owner would actually receive if the vehicle were sold.
- B. The provisions of 7 CFR 273.8 d, regarding the accessibility of jointly owned resources, do not apply to vehicles.

QUESTION: If a household is leasing a vehicle, shall the value of the leased vehicle be counted as a resource?

ANSWER: No. The entire value of any leased vehicle shall be excluded.

QUESTION: If a vehicle is used to produce income at least fifty percent of the time, shall the value of the vehicle be excluded as income producing?

ANSWER: Yes. The entire value of a vehicle used primarily to generate income shall be excluded.

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If a vehicle is no longer listed in the blue book, the household's estimate of the value of the vehicle shall be accepted, unless the state agency has reason to believe the estimate is incorrect. In that case, and if it appears that the vehicle's value will affect eligibility, the household shall obtain an appraisal or produce other evidence of its value, such as a tax assessment or a newspaper advertisement which indicates the amount for which like vehicles are being sold. If a new vehicle is not yet listed in the blue book, the state agency shall determine the fair market value through some other means (e.g., contacting a car dealer that sells that make of vehicle).

h. Handling Of Licensed Vehicles

The value of licensed vehicles shall be excluded or counted as a resource as follows:

1. For households certified or recertified on or after July 1, 2001, the entire value of one operable motor vehicle per household with one adult, and of two operable motor vehicles per household with more than one adult, shall be excluded as a resource. For the purpose of this paragraph, "adult" means an individual 18 or older who is not a dependent child; or an individual under age 18 who is either pregnant or the parent of a dependent child.

In situations where the household owns multiple vehicles, the applicant or recipient shall identify each vehicle to be excluded.

2. The entire value of any licensed vehicle not excluded in (h) (1) shall be excluded if the vehicle is:
 - i used primarily (over 50 percent of the time the vehicle is used) for income-producing purposes such as, but not limited to, a taxi, truck, or fishing boat. Licensed vehicles that have previously been used by a self employed household member engaged in farming but are no longer used over 50 percent of the time in farming because the household member has terminated self employment from farming shall continue to be excluded as a resource for one year from the date the household member terminated self employment from farming;
 - ii annually producing income consistent with its fair market value, even if used only on a seasonal basis;
 - iii necessary for long distance travel, other than daily commuting, that is essential to the employment of a household member (or ineligible alien or disqualified person whose resources are being considered available to the household), for example, the vehicle of a traveling sales person or of a migrant farmworker following the work stream;
 - iv used as the household's home and, therefore, excluded under paragraph (e)(1) of this section;
 - v necessary to transport a physically disabled household member (or ineligible alien or disqualified person whose resources are being considered available to the household) regardless of the purpose of such transportation (limited to one vehicle per physically disabled household member). A vehicle shall be considered necessary for the transportation of a physically disabled household member if the vehicle is specially equipped to meet the specific needs of the disabled person or if the vehicle is a special type of vehicle that makes it possible to transport the disabled person. The vehicle need not have special equipment or be used primarily by or for the transportation of the physically disabled household member;

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- vi necessary to carry fuel for heating or water for home use when such transported fuel or water is anticipated to be the primary source of fuel or water for the household during the certification period. Households shall receive this resource exclusion without having to meet any additional tests concerning the nature, capabilities, or other uses of the vehicle. Households shall not be required to furnish documentation, as mandated by 273.2(f)(4), unless the exclusion of the vehicle is questionable. If the basis for exclusion of the vehicle is questionable, the state agency may require documentation from the household, in accordance with 273.2(f)(4); or
 - vii considered inaccessible because its sale would produce an estimated return of not more than \$1,500.
3. The exclusions in parts (h)(2)(i) through (iii) will apply when the vehicle is not in use because of temporary unemployment, such as when a taxi driver is ill and cannot work, or when a fishing boat is frozen in and cannot be used.
 4. Each nonexcluded licensed vehicle shall be evaluated separately to determine if its fair market value exceeds \$4,650. The amount by which a vehicle's fair market value exceeds \$4,650 shall be counted as a resource, regardless of any encumbrances on the vehicle. The fair market values of two or more vehicles shall not be added together to reach a total fair market value in excess of \$4,650.
 5. Licensed vehicles that are not equity exempt, shall have their equity value counted as a resource.

The following vehicles are equity exempt:

- i Vehicles excluded in paragraph (h)(1) and (h)(2) of this section;
 - ii One licensed vehicle per adult household member (or an ineligible alien or disqualified household member whose resources are being considered available to the household), regardless of the use of the vehicle; and
 - iii Any other vehicle a household member under age 18 (or an ineligible alien or disqualified household member under age 18 whose resources are being considered available to the household) drives to commute to and from employment, or to and from training or education that is preparatory to employment, or to seek employment. A vehicle customarily used to commute to and from employment shall be covered by this equity exclusion during temporary periods of unemployment.
6. In the event a licensed vehicle is assigned both a fair market value in excess of \$4,650 and an equity value, only the greater of the two amounts shall be counted as a resource.
 7. In summary, each licensed vehicle shall be handled as follows: First the vehicle shall be evaluated to determine if it is entirely excluded under paragraph (h)(1) or (h)(2) of this section. If not excluded, it will be evaluated to determine if its fair market value exceeds \$4,650. If worth more than \$4,650, the portion in excess of \$4,650 for each vehicle will be counted as a resource. The vehicle will also be evaluated to see if it is equity exempt. If not equity exempt, the equity value will be counted as a resource. If the vehicle has a countable market value of more than \$4,650 and also has a countable equity value, only the greater of the two amounts shall be counted as a resource.

- i. Transfer of Resources

Resource Eligibility Standards

1. At the time of application, households shall be asked to provide information regarding any resources which any household member (or ineligible alien or disqualified person whose resources are being considered available to the household) had transferred within the three month period immediately preceding the date of application. Households which have transferred resources knowingly for the purpose of qualifying or attempting to qualify for food stamp benefits shall be disqualified from participation in the program for up to one year from the date of the discovery of the transfer. This disqualification period shall be applied if the resources are transferred knowingly in the three month period prior to application or if they are transferred knowingly after the household is determined eligible for benefits. An example of the latter would be assets which the household acquires after being certified and which are then transferred to prevent the household from exceeding the maximum resource limit.
2. Eligibility for the program will not be affected by the following transfers:
 - i Resources which would not otherwise affect eligibility, for example, resources consisting of excluded personal property such as furniture or of money that, when added to other nonexempt household resources, totaled less at the time of the transfer than the allowable resource limits;
 - ii Resources which are sold or traded at, or near, fair market value;
 - iii Resources which are transferred between members of the same household (including ineligible aliens or disqualified persons whose resources are being considered available to the household); and
 - iv Resources which are transferred for reasons other than qualifying or attempting to qualify for food stamp benefits, for example, a parent placing funds into an educational trust fund described in paragraph (e)(9) of this section.
3. In the event the State agency establishes that an applicant household knowingly transferred resources for the purpose of qualifying or attempting to qualify for food stamp benefits, the household shall be sent a notice of denial explaining the reason for and length of the disqualification. The period of disqualification shall begin in the month of application. If the household is participating at the time of the discovery of the transfer, a notice of adverse action explaining the reason for and length of the disqualification shall be sent. The period of disqualification shall be made effective with the first allotment to be issued after the notice of adverse action period has expired, unless the household has requested a fair hearing and continued benefits.
4. The length of the disqualification period shall be based on the amount by which nonexempt transferred resources, when added to other countable resources, exceeds the allowable resource limits. The following chart will be used to determine the period of disqualification.

Amount in excess of the resource limit	Period of disqualification
\$0 to \$249.99	1 month
\$250 to \$999.99	3 months
\$1,000 to \$2,999.99	6 months
\$3,000 to \$4,999.99	9 months
\$5,000 to \$5999.99	12 months

Resource Eligibility Standards

j. Resources of Nonhousehold Members

1. The resources of non household members, as defined in 273.1(b)(1), shall be handled as outlined in 273.11(d)
2. The resources of non household members, as defined in 273.1(b)(2), shall be handled as outlined in 273.11(c) and (d), as appropriate.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9a Date of this Memo 01/01/2009 Page 1 of 1

This Memo: is New Replaces one dated _____

Eligibility Expansion and Administrative Simplification

As allowed under federal SNAP rules, the department exercises an option to further expand categorical eligibility rules for Non-Public Assistance (NPA) households, effective January 1, 2009. NPA households are subject to a gross income test of 185% of the federal poverty level (FPL) and their asset test is eliminated. Receipt of the AHS Screen Door informational bookmark (produced under a cost allocation plan that includes partial funding from the TANF block grant) confers categorical eligibility.

This program expansion will relieve clients of the burden of providing asset information and verifications for 3SquaresVT, the renamed Food Stamp Program. DCF staff will no longer have to request and review asset verifications or explore asset-related matches for these households. This change will increase participation in the program by working families, seniors, and people with disabilities who may have had income above 130% FPL in the past. Additionally, it will save case processing time and reduce quality control errors.

Clients applying for other benefit programs or receiving other benefits in addition to 3SquaresVT are still required to follow those programs' requirements about asset limits and reporting and verifying asset information. Such requests for information and verification should not affect or delay determination of 3SquaresVT eligibility for categorically eligible households.

Exceptions to this new categorical eligibility are households in which the entire household is disqualified because one or more of its members failed to comply with the ABAWD work-for-benefits component in accordance with 273.22, or the entire household is institutionalized, or any member of the household is disqualified for an intentional program violation in accordance with 273.16, or the head of household is disqualified for failure to comply with 3SquaresVT work requirements, in accordance with 273.7.

A household with income greater than 185% of FPL, that contains any member over age 60 or any person with a disability, and that does not meet any other categorical eligibility rule, will not be eligible for expanded categorical eligibility. Such households must not have assets greater than \$3,000. In these situations, the worker must request asset information and appropriate verifications to determine eligibility.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9b **Date of this Memo** 12/16/2005 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

UPDATE:

UPDATE:

Clarification to 273.9b5i

Moneys withheld from Supplemental Security Income (SSI) to recoup from a household an overpayment that resulted from the households failure to comply with SSI program requirements does not count as income. The Department must budget the actual payment amount received by the SSI recipient to determine eligibility for Food Stamps.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9b **Date of this Memo** 04/05/1983 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: 273.9b 2 iv says that the amount of educational grants/loans in excess of the amounts excluded in 273.9c 2 shall be counted as unearned income. 273.10c 3.iii says that households receiving income from educational grants/loans shall have such income, after exclusions, averaged over the period for which it was provided. How is that income averaged when the period for which it was provided consists of both completed and partial months? For example, September 20 through May 5. Secondly, how does one handle an educational grant/loan that is received during or after the period it was intended to cover?

ANSWER: First, the averaging of educational grant/loan income should be inclusive of every month which is included in the time period. In the example of September 20 through May 5, the income would be divided by nine to average over the months of September through May.

In the second case of the grant/loan being received after the start of the school year, it should, of course, be reported within 10 days as per 273.12a 2. The worker will average the income less exclusions over the period it is intended to cover, even if this period commenced prior to the month the household reported the income. The average pre month will only be counted for the months remaining in the period it is intended to cover. If any months have passed solely because the student failed to report timely and stamps were received for these months, a claim will be made to collect the overpayment.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9b **Date of this Memo** 01/15/1988 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** 07/11/1985

QUESTION: What is the “cost of doing business” if client’s rental income is unearned?

ANSWER: Use the regulations in 273.11a 4, Allowable Costs of Producing Self Employment Income.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9b **Date of this Memo** 02/03/1982 **Page** 1 of 1

This Memo: is New **Replaces one dated** 19/19/1980

QUESTION: Are the following types of income considered earned or unearned?

ANSWER:

Regularly received General Assistance food allowance checks?	Treat this as unearned income.
Income from college work study?	This is earned income.
Teaching fellowship income?	This is earned income.

Income and Deductions

273.9 Income and Deductions (09/17/2010, 10-22)

a. Income Eligibility Standards

Participation in the Food Stamp Program shall be limited to those households whose incomes are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Households that contain an elderly or disabled member shall meet the net income eligibility standards for the Food Stamp Program. Households that do not contain an elderly or disabled member shall meet both the net income eligibility standards and the gross income eligibility standards for the Food Stamp Program. Households that are categorically eligible as defined in 273.2(j)(2) do not have to meet either the gross or net income eligibility standards. The net and gross income eligibility standards shall be based on the federal income poverty levels established as provided in Section 673(2) of the Community Services Block Grant Act (42 U. S. C. 9902(2)).

The gross income eligibility standards shall be 130 percent of the federal income poverty levels. The net eligibility standards shall be 100 percent of the federal income poverty levels.

The income tests are applied at application, recertification, and whenever there is a change that causes redetermination of eligibility.

The food stamp procedures manual lists the gross and net income standards at P-2590 C.

b. Definition Of Income

Household income shall mean all income from whatever source excluding only items specified in paragraph (c) of this section.

1. Earned income shall include:

- i. All wages and salaries of an employee.
- ii. The gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, excluding the costs of doing business as provided in paragraph (c) of this section. Ownership of rental property shall be considered a self-employment enterprise; however income derived from the rental property shall be considered earned income only if a member of the household is actively engaged in the management of the property at least an average of 20 hours a week. Payments from a roomer or boarder, except foster care boarders, shall also be considered self-employment income.

VERMONT: Income derived from rental property shall be considered earned, and the 20 hour weekly active management requirement shall be considered met unless a third party is employed to manage the property.

- iii. Training allowances from vocational and rehabilitative programs recognized by Federal, State, or local governments, such as the work incentive program, to the extent they are not a reimbursement. Training allowances under Job Training Partnership Act, other than earnings as specified in paragraph (b)(1)(v) of this section, are excluded from consideration as income.
- iv. Payments under Title I (VISTA, University Year for Action, etc.) of the Domestic Volunteer Service Act of 1973 (Pub. L. 93-113 Stat., as amended) shall be considered earned income and subject to the earned income deduction prescribed in 273.10(e)(1)(i)(B), excluding payments made to those households specified in paragraph (c)(10)(iii) of this section.

Income and Deductions

- v. Earnings to individuals who are participating in on-the-job training programs under section 204(5), Title II, of the Job Training Partnership Act. This provision does not apply to household members under 19 years of age who are under the parental control of another adult member, regardless of school attendance and/or enrollment as discussed in paragraph (c)(7) of this section. For the purpose of this provision, earnings include monies paid by the Job Training Partnership Act and monies paid by the employer.
 - vi. Educational assistance which has a work requirement (such as work study, an assistantship or fellowship with a work requirement) in excess of the amount excluded under 273.9(c)(3).
2. Unearned income shall include, but not be limited to:
- i. Assistance payments from federal or federally aided public assistance programs, such as supplemental security income (SSI/AABD) or temporary assistance for needy families (Reach Up financial assistance); general assistance (GA) programs (as defined in 271.2); or other assistance programs based on need. Such assistance is considered to be unearned income even if provided in the form of a vendor payment (provided to a third party on behalf of the household), unless the vendor payment is specifically exempt from consideration as countable income under the provisions of paragraph (c)(1) of this section. Assistance payments from programs which require, as a condition of eligibility, the actual performance of work without compensation other than the assistance payments themselves, shall be considered unearned income.
 - ii. Annuities; pensions; retirement, veteran's, or disability benefits; worker's or unemployment compensation including any amounts deducted to repay claims for intentional program violations as provided in section 272.12; old-age, survivors, or social security benefits; strike benefits; foster care payments for children or adults who are considered members of the household; gross income minus the cost of doing business derived from rental property in which a household member is not actively engaged in the management of the property at least 20 hours a week.
 - A. If the food stamp household chooses to include the foster child as a member of the household, then the entire foster care payment is unearned income.
 - B. If the food stamp household chooses room and board status for the foster child, then the amount attributed to room and board is considered self-employment earned income, excluding the costs of doing business. The remainder is excluded as income received and used for the care and maintenance of a third-party beneficiary who is not a household member.
 - iii. Support or alimony payments made directly to the household from nonhousehold members.
 - iv. Scholarships, educational grants, deferred payment loans for education, veterans' educational benefits and the like, other than educational assistance with a work requirement, in excess of amounts excluded under Section 273.9(c).
 - v. Payments from Government-sponsored programs, dividends, interest, royalties, and all other direct money payments from any source which can be construed to be a gain or benefit.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c **Date of this Memo** 09/26/1989 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: How do we treat the compensation paid to Americans of Japanese or Aleut ancestry as restitution for their incarceration during World War II?

ANSWER: This compensation is excluded from both income and resources by the Wartime Relocation of Civilians Act (Public Law 100–383).

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 03/25/2005 Page 1 of 1

This Memo: is New Replaces one dated 03/22/1995

QUESTION: Enrolees in SCSEP, the Senior Community Service Employment Program of Title V of the Older Americans Act, are placed in subsidized positions in nonprofit organizations throughout the State, such as the Visiting Nurses Association. How is this income counted for Food Stamps?

ANSWER: Exclude the entire wage. Section 509 of Title V of the Older Americans Act says, “Funds received by eligible individuals from projects carried out under the program established in this title shall not be considered to be income of such individuals...for any income determination under the Food Stamp Act of 1977.”

QUESTION: What are some of the applicable programs under the Senior Community Service Employment Program (SCSEP) from which income is not to be counted for Food Stamps?

ANSWER: SCSEP, under Title V of the Older Americans Act, provides employment and training opportunities for needy people, age 55 and older. Host agencies, work locations and program availability will vary. This list is intended to provide a sampling of SCSEP programs.

Host Agencies	Location
1. Experience Works	Windsor, Windham and Washington Counties
2. Vermont Associates for Training and Development, Inc.	Statewide
3. National Able Network	Statewide
4. Vermont Department of Aging and Independent Living	Statewide
5. Visiting Nurses Association	Addison Counties

Wages received from SCSEP employment and training programs are income exempt but are not resource exempt.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 08/01/2007 Page 1 of 2

This Memo: is New Replaces one dated _____

QUESTION: How will financial assistance, received for graduate and postsecondary undergraduate education, be treated in determining need or eligibility for benefits amounts?

ANSWER: Effective July 1, 1993 all student financial assistance received under programs in Title IV of the Higher Education Act or under Bureau of Indian Affairs student assistance programs will be completely excluded as income and resources in the determination of eligibility and benefit amounts.

Some examples of student financial assistance authorized by Title IV of the Higher Education Act are:

- Basic Education Opportunity Grants (BEOG or PELL Grants);
- Presidential Access Scholarships (Super Pell Grants);
- Supplemental Educational Opportunity Grants (SEOG);
- State Student Incentive Grants (SSIG);
- Federal Family Education Loan Program (Formally GSL);
 - Supplemental Loans for Students
 - PLUS Loans for parents
 - Robert T. Stafford Student Loans
- Direct Loans to students in institutions of higher education (Perkins Loans, formerly NDSL, which are different than loans under the Carl D. Perkins Vocational and Applied Technology Education Act)
- • Federal Work Study Funds (Note: Not all Federal work study funds come under Title IV of the Higher Education Act.)
- Trio Grants (Got to organizations or institutions for students from disadvantaged backgrounds):
 - Upward Bound (Some stipends go to students)
 - Student Support Services
 - Robert E. McNair Post-Baccalaureate Achievement
- Robert C. Byrd Honors Scholarship Program;
- College Assistance Migrant Program (CAMP) for students whose families are engaged in migrant and seasonal farm work;

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 10/03/1995 Page 1 of 1

This Memo: is New Replaces one dated 05/13/1988

QUESTION: Is the Senior Companion Volunteers Program one of the “and others” under Title II of the Domestic Volunteer Services Act of 1973 that are referred to in 273.9 c 10 iii, and for which any stipend paid to the volunteers would be excluded income?

ANSWER: Yes.

QUESTION: Should allowances, earnings and payments to individuals made under the Job Training Partnership Act (JTPA) of 1982, Public Law 97-300, be disregarded for Food Stamp purposes?

ANSWER: JTPA earnings paid to individuals for on-the-job training are counted as income for Food Stamps, except for the case of dependent children under age 19. [273.9 (b)(1)(v)]

QUESTION: How do we treat the compensation paid to individuals under the Crime Act of 1984?

ANSWER: This compensation is excluded from income and resources as provided by Public Law 103-322

QUESTION: How do we treat the compensation paid to individuals under the Confederate Tribes of the Colville Reservation Grand Coulee Dam Settlement Act?

ANSWER: This compensation is excluded from income and resources as provided by Public Law 103-436.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 11/6/1997 Page 1 of 1

This Memo: is New Replaces one dated 03/03/1995

QUESTION: How are payments received from the Agent Orange Settlement Fund considered in determining Food Stamp eligibility and benefits?

ANSWER: According to Public Laws 101 and 201 (enacted 12/6/89), no payment from the Agent Orange Settlement Fund or any other fund established because of the Agent Orange product liability litigation shall be considered income or resources in determining eligibility for, or the amount, of, benefits under any Federal or Federally assisted program.

Veterans will receive a payment each year they are disabled during the life of the program. Survivors of deceased veterans will receive one lump sum payment. Neither payment may be counted as income or resources.

This policy will be implemented for new applications and at recertifications of ongoing cases. Lost benefits will have to be restored back to 1/1/89 or under issued Food Stamps due to receipt of Agent Orange payments.

QUESTION: How do we treat the compensation paid to individuals as restitution because of their status as victims of Nazi Persecution?

ANSWER: Effective August 1, 1994, this compensation is excluded from income and resources as provided by Public Law 103-286.

QUESTION: How do we treat the compensation paid to children of Vietnam veterans who are born with spina bifida?

ANSWER: Effective October 1, 1997, this compensation is excluded from income and resources as provided by Public Law 104-204.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c **Date of this Memo** 08/13/1997 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Under the Personal Responsibility and Work Opportunity Reconciliation Act, SSI-AABD retroactive payments that equal or exceed 12 times the SSI-AABD monthly amount due the individual are paid in up to three installments, at six-month intervals. Are these installment payments still excluded as income under 273.9c 8?

ANSWER: Yes, they are excluded as income.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 08/01/2007 Page 1 of 2

This Memo: is New Replaces one dated 11/16/1993

QUESTION: How will financial assistance, received for graduate and postsecondary undergraduate education, be treated in determining need or eligibility for benefits amounts?

ANSWER: Effective July 1, 1993 all student financial assistance received under programs in Title IV of the Higher Education Act or under Bureau of Indian Affairs student assistance programs will be completely excluded as income and resources in the determination of eligibility and benefit amounts.

Some examples of student financial assistance authorized by Title IV of the Higher Education Act are:

- Basic Education Opportunity Grants (BEOG or PELL Grants);
- Presidential Access Scholarships (Super Pell Grants);
- Supplemental Educational Opportunity Grants (SEOG);
- State Student Incentive Grants (SSIG);
- Federal Family Education Loan Program (Formally GSL);
 - Supplemental Loans for Students
 - PLUS Loans for parents
 - Robert T. Stafford Student Loans
- Direct Loans to students in institutions of higher education (Perkins Loans, formerly NDSL, which are different than loans under the Carl D. Perkins Vocational and Applied Technology Education Act)
- • Federal Work Study Funds (Note: Not all Federal work study funds come under Title IV of the Higher Education Act.)
- Trio Grants (Got to organizations or institutions for students from disadvantaged backgrounds):
 - Upward Bound (Some stipends go to students)
 - Student Support Services
 - Robert E. McNair Post-Baccalaureate Achievement
- Robert C. Byrd Honors Scholarship Program;
- College Assistance Migrant Program (CAMP) for students whose families are engaged in migrant and seasonal farm work;

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

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Reference 273.9c **Date of this Memo** 08/01/2007 **Page** 2 of 2

This Memo: **is New** **Replaces one dated** 11/16/1993

- High School Equivalency Program (HEP);
- National Early Intervention Scholarship and Partnership Program.

Any underpayments discovered during a periodic eligibility review or the processing of another change or brought to your attention by a recipient, should be corrected retroactively as per Procedures - Restoration of Lost Benefits (Underpayments).

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 12/29/1994 Page 1 of 1

This Memo: is New Replaces one dated 10/27/1994

QUESTION: Are utility reimbursements made by the Department of Housing and Urban Development (HUD) or the Farmers Home Administration (FmHA) considered income in the Food Stamp program?

ANSWER: No. Effective 8/1/94, any payments or allowances made for the purpose of providing energy assistance under any federal law, including HUD and FmHA reimbursements to the household, are excluded as income.

Households who live in subsidized housing, whose actual rent payment is reduced to zero because of the deduction of a fuel and/or utility subsidy and who receive a check for any additional subsidy amount will now have this amount disregarded as income.

In addition, for these households, a standard utility allowance that includes heating costs may be included as a shelter cost only if the household incurs heating costs in excess of the amount of the fuel and utility subsidy allowance. In any case, recipients of LIHEA are always entitled to the SUA.

This provision is in effect for all households who applied after 8/1/94 and for existing households effective with the first review or recertification after 8/1/94 or at the household's request after 8/1/94. Retroactive benefits to which the household is entitled under this provision should be paid beginning 8/1/94.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 12/30/1994 Page 1 of 1

This Memo: is New Replaces one dated 10/27/1994

QUESTION: Is income from federal Earned Income Tax Credits (EITC) counted or excluded.

ANSWER: Federal EITC income is excluded. The Hunger Prevention Act of 1988 provided that effective January 1, 1989, no federal EITC benefits will be counted as income, regardless of the method of receipt. Federal EITC is excluded as a resource for all applicants and recipients for the month of receipt and the following month. Effective 9.1.94, Federal EITC is, in addition, excluded as a resource for the 12 calendar months following receipt if the individual receiving the EITC was participating in the Food Stamp program when the EITC was received and participates continuously during the following 12 consecutive calendar month period.

Continuous participation includes breaks in participation of one month or less due to administrative reasons, such as recipient-delayed recertifications.

Applicants after 9/1/94 should have this change applied. recipients should have the change applied upon request or at the first review or recertification after 9/1/94. Retroactive benefits to which the household is entitled under this provision should be paid beginning 9/1/94.

QUESTION: Is income from Vermont Earned Income Tax Credits (EITC) counted or excluded.

ANSWER: Vermont EITC is excluded income as it is a nonrecurring lump-sum payment. It is counted as a resource in the month received.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 10/01/2004 Page 1 of 1

This Memo: is New Replaces one dated _____

When a member of a food stamp household in one of the United States armed forces is deployed to a designated combat zone, that person is not included in the food stamp household in determining benefits. Additionally, the increase in income they receive during deployment to a designated combat zone is excluded from the household income. This applies to reservists and members of a state's National Guard, as well as to full-time members of the armed services.

- A. Establish the amount of the military person's pay available to the family before this deployment to a designated combat zone.
- B. Compare that amount to the amount the military person is making available to the family during this deployment.
- C. If the amount the deployed military person is making available to the family now is less than or equal to the amount made available before the deployment, count the total amount as income to the family.
- D. However, if the amount the family received before deployment is less than what they receive during deployment, count the smaller amount in determining the family's income.

Designated combat zones as of 3/31/2005 are:

Adriatic Sea	Oman
Afghanistan	Pakistan
Albania	Persian Gulf
Bahrain	Philippines (only troops w/orders referencing OEF)
Bosnia	Qatar
Croatia	Red Sea
Djibouti	Saudi Arabia
Gulf of Aden	Tajikistan
Herzegovina	Serbia/Montenegro (Federal Republic of Yugoslavia)
Iraq	Ionian Sea north of 39th parallel
Jordan	Turkey
Kuwait	Uzbekistan
Kyrgyzstan	Yemen
Macedonia	

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 03/15/2006 Page 1 of 1

This Memo: is New Replaces one dated 07/17/1997

UPDATE:

AmeriCorps Living Allowance Clarification

Without exception, AmeriCorps payments are excluded from income for food stamp purposes.

AmeriCorps programs come under Title 1 of the National and Community Service Act (NCSA) of 1990 as amended in 1999. The NCSA states that allowances, earnings, and payments to participants in AmeriCorps programs must not be considered as income for the purpose of determining eligibility for any federal or federally-assisted needs-based program, other than as provided under the Social Security Act.

This change will be implemented on a case-by-case basis at certification and recertification, or at any time that a worker learns that a food stamp participant is receiving AmeriCorps living allowance payments.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c Date of this Memo 08/01/2007 Page 1 of 1

This Memo: is New Replaces one dated _____

QUESTION: If the institution does not identify an expense as excludable under Title IV of the Higher Education Act, what kind of information must the student provide so the eligibility worker can document in the case record that verification is satisfactory?

ANSWER: Identifiable receipts are a correct and obvious answer, but a student cannot be expected to present identifiable receipts for every excludable expense related to the cost of attendance. An example is the cost of commuting for a student who does not reside on campus. This expense might be verified by using published transportation rates or by calculating the necessary mileage at the most recently updated mileage rate for the Food Stamp Program, or by a statement of the amount charged signed by the person driving.

When verifying an amount for miscellaneous personal expenses, the worker often must also determine how reasonable a claimed expense amount is. For miscellaneous personal expenses incidental to attending the school (such as professional journals, membership in professional associations, typing of papers, and the cost of school activities not covered in a mandatory activities fee) claimed costs of \$100 or \$200 per month are probably reasonable in most instances, while \$1000 per month is probably unreasonable unless very unusual circumstances are documented. The worker must decide on the basis of the facts presented by the student and must document this decision in the case record.

Using the above items of personal expense as an example, the student can be expected to present identifiable receipts for professional journals, membership in professional associations, and the cost of school activities not covered by a mandatory fee. The amount spent that the student claims for the other items may be accepted by the worker without substantiating documentation if the amounts are judged reasonable. The worker is responsible for putting a statement to this effect in the case record.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c1ii Date of this Memo 05/24/2012 Page 1 of 1

This Memo: is New Replaces one dated 02/21/2012

Temporary housing and utility payments made for a 3SquaresVT household through the General Assistance (GA) program do not count as unearned income to the 3SquaresVT household. As long as these GA payments are not paid to or cashable by the household they are excluded as income.

For example: GA issues a check for rent to a landlord and a check for electricity to the light company for a GA eligible 3SquaresVT household. As of February 21, 2012 these rent and utility payments no longer count as income to the 3SquaresVT household.

GA temporary housing and utility payments issued to a 3SquaresVT household are countable income.

For example: A 3SquaresVT household rents a room to a friend. GA issues a room rent check paid to the 3SquaresVT household for the friend. This room rent is countable income to the 3SquaresVT household.

Personal Needs (PNI) payments continue to be counted as unearned income.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9C4 Date of this Memo 10/08/2012 Page 1 of 1

This Memo: is New Replaces one dated _____

Reverse Mortgage

For 3SquaresVT a reverse mortgage is essentially a loan and therefore is excluded income as long as there is a verifiable agreement to repay the loan with interest. Repayment of this 'loan' is usually done in 1 of 3 ways:

- The owner dies and the estate repays the loan
- The house is sold and the loan is paid from the proceeds of the sale
- The house is turned over to the mortgage holder

If there is no repayment agreement the money received from the reverse mortgage would be counted as income in the month received. If they get it monthly it counts monthly. If they get a lump it counts in the month received.

Income and Deductions

- vi. Monies which are withdrawn or dividends which are or could be received by a household from trust funds considered to be excludable resources under 273.8(e)(8). Such trust withdrawals shall be considered income in the month received, unless otherwise exempt under the provisions of paragraph (c) of this section. Dividends which the household has the option of either receiving as income or reinvesting in the trust are to be considered as income in the month they become available to the household unless otherwise exempt under the provisions of paragraph (c) of this section.
3. The earned or unearned income of an individual disqualified from the household for intentional program violation in accordance with Section 273.16, or as a result of a sanction imposed while he/she was participating in a household disqualified for failure to comply with workfare requirements, in accordance with 273.22, shall continue to be attributed in their entirety to the remaining household members. However, the earned or unearned income of individuals disqualified from households for failing to comply with the requirement to provide an SSN in accordance with 273.6, or for being an ineligible alien in accordance with 273.4 shall continue to be counted as income, less a pro rata share for the individual. Procedures for calculating this pro rata share are described in Section 273.11(c).
4. For households containing sponsored aliens (as defined in 273.11j 1), unearned income shall also include that amount of the monthly income of an alien's sponsor and the sponsor's spouse (if living with the sponsor) that has been deemed to be that of the alien as unearned income in accordance with the procedures established in 273.11j, unless the sponsored alien is otherwise exempt from this provision in accordance with 273.11j. Actual money paid to the alien by the sponsor or the sponsor's spouse would not be considered income to the alien unless the amount paid exceeds the amount attributed. The amount paid that actually exceeds the amount attributed would be considered income to the alien in addition to the amount attributed to the alien.
5. Income shall not include the following:
 - i. Moneys withheld from an assistance payment, earned income, or other income source, or moneys received from any income source which are voluntarily or involuntarily returned, to repay a prior overpayment received from that income source, provided that the overpayment was not excludable under paragraph (c) of this section. However, moneys withheld from assistance from another program, as specified in 273.11(k), for purposes of recouping from a household an overpayment which resulted from the household's failure to comply with the other program's requirements shall be included as income.
 - ii. Child Support payments received by ANFC recipients which must be transferred to the agency administering Title IV-D of the Social Security Act, as amended, to maintain ANFC eligibility.

c. Income Exclusions

Only the following items shall be excluded from household income and no other income shall be excluded:

1. Any gain or benefit which is not in the form of money payable directly to the household, including in-kind benefits and certain vendor payments. In-kind benefits are those for which no monetary payment is made on behalf of the household and include meals, clothing, housing, or produce from a garden. A vendor payment is a money payment made on behalf of a household by a person or organization outside of the household directly to either the household's creditors or to a person or organization providing a service to the household.

Income and Deductions

Payments made to a third party on behalf of the household are included or excluded as income in accordance with this paragraph.

- i. Public assistance (PA) vendor payments. PA vendor payments are counted as income unless they are made for:
 - A. Medical assistance.
 - B. Child care assistance.
 - C. Energy assistance as defined in paragraph (c)(11) of this section. Title IV-A payments for energy assistance are counted as income.
 - D. Emergency assistance (including, but not limited to housing and transportation payments) for migrant or seasonal farmworker households while they are in the job stream.
 - E. Emergency and special assistance. PA provided to a third party on behalf of a household which is not specifically excluded from consideration as income under the provisions of paragraphs (c)(1)(i)(A) through (c)(1)(i)(E) of this section shall be considered for exclusion under this provision. To be considered emergency or special assistance and excluded under this provision, the assistance must be provided over and above the normal PA grant or payment, or cannot normally be provided as part of such grant or payment. If the PA program is composed of various standards or components, the assistance would be considered over and above the normal grant or not part of the grant if the assistance is not included as a regular component of the PA grant or benefit or the amount of assistance exceeds the maximum rate of payment for the relevant component. If the PA program is not composed of various standards or components but is designed to provide a basic monthly grant or payment for all eligible households and provides a larger basic grant amount for all households in a particular category, e.g., all households with infants, the larger amount is still part of the normal grant or benefit for such households and not an "extra" payment excluded under this provision. On the other hand, if a fire destroyed a household item and a PA program provides an emergency amount paid directly to a store to purchase a replacement, such a payment is excluded under this provision. If the PA program is not composed of various standards, allowances, or components but is simply designed to provide assistance on an as-needed basis rather than to provide routine, regular monthly benefits to a client, no exclusion would be granted under this provision because the assistance is not provided over and above the normal grant, it is the normal grant. If it is not clear whether a certain type of PA vendor payment is covered under this provision, the State agency shall apply to the appropriate FNS Regional Office for a determination of whether the PA vendor payments should be excluded. The application for this exclusion determination must explain the emergency or special nature of the vendor payment, the exact type of assistance it is intended to provide, who is eligible for the assistance, how the assistance is paid, and how the vendor payment fits into the overall PA benefit standard. A copy of the rules, ordinances, or statutes which create and authorize the program shall accompany the application request.
- ii. General assistance (GA) vendor payments. Vendor payments made under a State or local GA program or a comparable basic assistance program are excluded from income except for some vendor payments for housing. A housing vendor payment is counted as income unless the payment is for:

Income and Deductions

- A. energy assistance if, under State law, no assistance under the program may be provided directly to the household in the form of a cash payment;
 - B. housing assistance from a State or local housing authority;
 - C. emergency assistance for migrant or seasonal farmworker households while they are in the job stream;
 - D. emergency or special payments (as defined in paragraph (c)(1)(i)(E) of this section; or
 - E. assistance provided under a program in a State in which no GA payments may be made directly to the household in the form of cash.
- iii. Department of Housing and Urban Development (HUD) vendor payments. Rent or mortgage payments made to landlords or mortgagees by HUD are excluded.
 - iv. Educational assistance vendor payments. Educational assistance provided to a third party on behalf of the household for living expenses shall be treated the same as educational assistance payable directly to the household.
 - v. Vendor payments that are reimbursements. Reimbursements made in the form of vendor payments are excluded on the same basis as reimbursements paid directly to the household in accordance with paragraph (c)(5) of this section.
 - vi. Demonstration project vendor payments. In-kind or vendor payments, which would normally be excluded as income but are converted in whole or in part to a direct cash payment under a federally authorized demonstration project or waiver of provisions of Federal law shall be excluded from income.
 - vii. Other third-party payments. Other third-party payments shall be handled as follows: Moneys legally obligated and otherwise payable to the household which are diverted by the provider of the payment to a third party for a household expense shall be counted as income and not excluded. If a person or organization makes a payment to a third party on behalf of a household using funds that are not owed to the household, the payment shall be excluded from income. This distinction is illustrated by the following examples:
 - A. A friend or relative uses his or her own money to pay the household's rent directly to the landlord. This vendor payment shall be excluded.
 - B. A household member earns wages. However, the wages are garnished or diverted by the employer and paid to a third party for a household expense, such as rent. This vendor payment is counted as income. However, if the employer pays a household's rent directly to the landlord in addition to paying the household its regular wages, the rent payment shall be excluded from income. Similarly, if the employer provides housing to an employee in addition to wages, the value of the housing shall not be counted as income.
 - C. A household receives court-ordered monthly support payments in the amount of \$400. Later, \$200 is diverted by the provider and paid directly to a creditor for a household expense. The payment is counted as income. Money deducted or diverted from a court-ordered support or alimony payment (or other binding written support or alimony agreement) to a third party for a household's expense shall be included as income because the payment is taken from money that is owed to the household. However, payments specified by a court order or other legally

Income and Deductions

binding agreement to go directly to a third party rather than the household are excluded from income because they are not otherwise payable to the household. For example, a court awards support payments in the amount of \$400 a month and in addition orders \$200 to be paid directly to a bank for repayment of a loan. The \$400 payment is counted as income and the \$200 payment is excluded from income. Support payments not required by a court order or other legally binding agreement (including payments in excess of the amount specified in a court order or written agreement) which are paid to a third party on the household's behalf shall be excluded from income.

2. Any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated, but not in excess of \$30 in a quarter.
3.
 - i. Educational assistance, including grants, scholarships, fellowships, work study, educational loans on which payment is deferred, veterans' educational benefits and the like.
 - ii. To be excluded, education assistance referred to in paragraph (c)(3)(i) must be:
 - A. Awarded to a household member enrolled at a:
 1. Recognized institution of postsecondary education (meaning any public or private educational institution which normally requires a high school diploma or equivalency certificate for enrollment or admits persons who are beyond the age of compulsory school attendance in the State in which the institution is located, provided that the institution is legally authorized or recognized by the State to provide an educational program beyond secondary education in the State or provides a program of training to prepare students for gainful employment, including correspondence schools at that level),
 2. School for the handicapped,
 3. Vocational education program,
 4. Vocational or technical school,
 5. Program that provides for obtaining a secondary school diploma or the equivalent;
 - B. Used for or identified (earmarked) by the institution, school, program, or other grantor for the following allowable expenses:
 1. Tuition,
 2. Mandatory school fees, including the rental or purchase of any equipment, material, and supplies related to the pursuit of the course of study involved,
 3. Books,
 4. Supplies,
 5. Transportation,
 6. Miscellaneous personal expenses, other than normal living expenses, of the student incidental to attending a school, institution or program,
 7. Dependent care,
 8. Origination fees and insurance premiums on educational loans,

Income and Deductions

9. Normal living expenses which are room and board are not excludable.
10. Amounts excluded for dependent care costs shall not also be excluded under the general exclusion provisions of paragraph 273.9(c)(5)(i)(C).

Dependent care costs which exceed the amount excludable from income shall be deducted from income in accordance with paragraph 273.9(d)(4) and be subject to a cap.
- iii. Exclusions based on use pursuant to paragraph (c)(3)(ii)(B) must be incurred or anticipated for the period the educational income is intended to cover regardless of when the educational income is actually received. If a student uses other income sources to pay for allowable educational expenses in months before the educational income is received, the exclusions to cover the expenses shall be allowed when the educational income is received. When the amounts used for allowable expense are more than amounts earmarked by the institution, school, program or other grantor, an exclusion shall be allowed for amounts used over the earmarked amounts. Exclusions based on use shall be subtracted from unearned educational income to the extent possible. If the unearned educational income is not enough to cover the expense, the remainder of the allowable expense shall be excluded from earned educational income.
- iv. An individual's total educational income exclusions granted under the provisions of paragraph (c)(3)(i) through (c)(3)(iii) of this section cannot exceed that individual's total educational income which was subject to the provisions of paragraph (c)(3)(i) through (c)(3)(iii) of this section.
4. All loans, including loans from private individuals as well as commercial institutions, other than educational loans on which repayment is deferred. Educational loans on which repayment is deferred shall be excluded pursuant to the provisions of paragraph 273.9(c)(3)(i). A loan on which repayment must begin within 60 days after receipt of the loan shall not be considered a deferred repayment loan.
5. Reimbursements for past or future expenses, to the extent they do not exceed actual expenses, and do not represent a gain or benefit to the household. Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and, therefore, are not excluded. To be excluded, these payments must be provided specifically for an identified expense, other than normal living expenses, and used for the purpose intended. When a reimbursement, including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses. The amount by which a reimbursement exceeds the actual incurred expense shall be counted as income. However, reimbursements shall not be considered to exceed actual expenses, unless the provider or the household indicates the amount is excessive.
 - i. Examples of excludable reimbursements which are not considered to be a gain or benefit to the household are:
 - A. Reimbursements or flat allowances, including reimbursements made to the household under 273.7(d)(1)(ii), for job- or training-related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. Reimbursements which are provided over and above the basic wages for these expenses are excluded; however, these expenses, if not reimbursed, are not otherwise deductible. Reimbursements for the travel expenses incurred by migrant workers are also excluded.

Income and Deductions

- VERMONT: Section 273.7(d)(1)(ii) refers to participant reimbursement for E&T.
- B. Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their work.
 - C. Medical or dependent care reimbursements.
 - D. Reimbursements received by households to pay for services provided by Title XX of the Social Security Act.
 - E. Any allowance a State agency provides no more frequently than annually for children's clothes when the children enter or return to school or daycare, provided the State agency does not reduce the monthly AFDC payment for the month in which the school clothes allowance is provided. State agencies are not required to verify attendance at school or daycare.
 - F. Reimbursement made to the household under 273.7(d)(1)(ii) for expenses necessary for participation in an education component under the E&T program.
- ii. The following shall not be considered a reimbursement excludable under this provision.
- A. No portion of benefits provided under Title IV-A of the Social Security Act, to the extent such benefits are attributed to an adjustment for work-related or child care expenses (except for payments or reimbursements for such expenses made under an employment, education or training program initiated under such title after September 19, 1988), shall be considered excludable under this provision.
 - B. No portion of any educational assistance that is provided for normal living expenses (room and board) shall be considered a reimbursement excludable under this provision.
6. Money received and used for the care and maintenance of a third-party beneficiary who is not a household member. If the intended beneficiaries of a single payment are both household and nonhousehold members, any identifiable portion of the payment intended and used for the care and maintenance of the nonhousehold member shall be excluded. If the nonhousehold member's portion cannot be readily identified, the payment shall be evenly prorated among intended beneficiaries and the exclusion applied to the nonhousehold member's pro rata share or the amount actually used for the nonhousehold members care and maintenance, whichever is less.
7. The earned income (as defined in paragraph (b)(1) of this section) of children who are members of the household, who are students at least half time, and who have not attained their 18th birthday. The exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break. If the child's earnings or amount of work performed cannot be differentiated from that of other household members, the total earnings shall be prorated equally among the working members and the child's pro rata share excluded. Individuals are considered children for purposes of this provision if they are under the parental control of another household member.
8. Money received in the form of a nonrecurring lump-sum payment, including, but not limited to, income tax refunds, rebates, or credits; retroactive lump-sum Social Security, SSI, public assistance, railroad retirement benefits, or other payments; lump-sum insurance settlements; refunds of security deposits on rental property or utilities; or Reach Up parenting incentive payments. These payments shall be counted as resources in the month received, in

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.9c10 iii Date of this memo 08/28/14 Pages 1 of 2

This memo: is new Replaces one dated 03/15/06

UPDATE: AmeriCorps Payments

AmeriCorps consists of three main programs (1) *AmeriCorps State and National*; (2) *AmeriCorps VISTA*; and (3) *AmeriCorps NCCC (National Civilian Community Corps)*.

AmeriCorps State and National and *AmeriCorps NCCC* programs fall under Title I of the National Community Service Act (NCSA) of 1990 as amended in 1999. The NCSA states that allowances, earnings, and payments to participants in these programs must not be considered income when determining eligibility for any federal or federally assisted needs-based program, other than as provided under the Social Security Act.

Therefore, payments and allowances from *AmeriCorps State and National* and *AmeriCorps NCCC* are not counted as income in determining 3SquaresVT benefits, without exception.

AmeriCorps VISTA programs, however, fall under Title II of the Domestic Volunteer Services Act of 1973. Payments to volunteers for programs under Title I of that Act (including *VISTA*) are excluded for anyone who is receiving SNAP benefits or public assistance at the time they join *AmeriCorps VISTA*.

Therefore, payments and allowances from *AmeriCorps VISTA* are not counted as income for an individual already receiving 3SquaresVT benefits when they joined *AmeriCorps VISTA*, but do count as income if they begin receiving 3SquaresVT benefits after joining *AmeriCorps VISTA*.

QUESTION: When is a person considered having “joined” *AmeriCorps VISTA*?

ANSWER: The date someone joins *AmeriCorps VISTA* is the date they complete their required Pre-Service Orientation.

INTERPRETIVE MEMO

3SqVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.9c10 iii Date of this memo 08/28/14 Pages 2 of 2

This memo: is new Replaces one dated 03/15/06

QUESTION: What if someone applies for 3SquaresVT benefits before completing the *AmeriCorps VISTA* Pre-Service Orientation, but begins to receive 3SquaresVT benefits after completing the orientation?

ANSWER: If an *AmeriCorps VISTA* volunteer applies for, or is receiving, 3SquaresVT benefits before completing the Pre-Service Orientation, the *AmeriCorps VISTA* payment is not counted as income. Under this policy, individuals are considered recipients of benefits from the date of application. Therefore, in this case, the *AmeriCorps VISTA* payment would not be counted as income since the application occurred before the individual completed the orientation.

If an *AmeriCorps VISTA* volunteer applies for 3SquaresVT benefits after completing the Pre-Service Orientation, the *AmeriCorps VISTA* payment must be counted as income.

Therefore, interviewers must ask *AmeriCorps VISTA* volunteers, who are applying for 3SquaresVT benefits, whether they have completed their Pre-Service Orientation. Ask them to provide their *AmeriCorps VISTA* letter as a verification of the date of completion.

Income and Deductions

accordance with 273.8(c) unless specifically excluded from consideration as a resource by other federal laws.

9. The cost of producing self-employment income. The procedures for computing the cost of producing self-employment income are described in 273.11.
10. Any income that is specifically excluded by any other Federal statute from consideration as income for the purpose of determining eligibility for the Food Stamp Program. The following laws provide such an exclusion:
 - i. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (Pub. L. 91- 646, Section 216).
 - ii. Payments received under the Alaska Native Claims Settlement Act (Pub. L. 92- 203, Section 21(a));
 - iii. Any payment to volunteers under Title II (RSVP, Foster Grandparents and Others) of the Domestic Volunteer Services Act of 1973 (Pub. L. 93- 113) as amended. Payments under Title I of that Act (including payments from such Title I programs as VISTA, University Year for Action, and Urban Crime Prevention Program) to volunteers shall be excluded for those individuals receiving Food Stamps or public assistance at the time they joined the Title I Program, except that households which are receiving an income exclusion for a VISTA or other Title I subsistence allowance at the time of conversion to the Food Stamp Act of 1977 shall continue to receive an income exclusion for VISTA for the length of their volunteer contract in effect at the time of conversion. Temporary interruptions in Food Stamp participation shall not alter the exclusion once an initial determination has been made. New applicants who were not receiving public assistance or Food Stamps at the time they joined VISTA shall have these volunteer payments included as earned income.
 - iv. Income derived from certain submarginal land of the United States which is held in trust for certain Indian tribes (Pub. L. 94- 114, Section 6).
 - v. Allowances, earnings, or payments (including reimbursements) to individuals participating in programs under the Job Training Partnership Act (Public Law 90-300), except as provided for under paragraph (b)(1)(v) of this section.
 - vi. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians. (Pub. L. 94-540).
 - vii. Earned income tax credits received as a result of Pub. L. 95- 600, the Revenue Act of 1978, which are received before January 1, 1980, or after January 1, 1980 if paid in the form of a lump sum at the end of the year.
 - viii. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (Pub. L. 95-433).
 - ix. Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96-420, Section 5).

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9c 12 **Date of this Memo** 04/05/2013 **Page** 1 of 1

This Memo: is New Replaces one dated _____

Compensated Work Therapy - FNS Clarification

Compensated Work Therapy (CWT) payments are counted as earned income for 3SquaresVT.

CWT is a therapeutic program of vocational and rehabilitative services under the Dept. of Veterans Affairs. Unemployed, or underemployed, veterans are placed in a real work environment and are paid for their work via payments from the VA or through the employer. These experiences help veterans develop work skills for their return to the community's regular work force.

While the VA considers CWT payments to be a donation and thus, excluded from income for its purposes, the payments do not meet the SNAP definition of a donation found at 7 CFR 273.9(c)(12). Based on 7 CFR 273.9(c), there is no regulatory basis for excluding these payments from countable income for SNAP purposes.

Regulations at 7 CFR 273.9(b)(1)(iii) also provide that an allowance paid to participants in a training or rehabilitative program shall be considered earned income.

Income and Deductions

x. Payments of relocation assistance to members of the Navajo and Hopi Tribes under Pub. L. 93-531.

11. Payments or allowances made for the purpose of providing energy assistance under any Federal law (other than part A of title IV (TANF) of the Social Security Act), including utility reimbursement made by the Department of Housing and Urban Development and the Farmers Home Administration. In addition, a one-time payment or allowance made under a Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device is excluded.

VERMONT NOTE: Payments made under the Low Income Home Energy Assistance Program (LIHEAP) are those referred to in the first sentence of 273.9(c)(11) and are excluded income.

- i. B. The energy assistance is provided only to households which actually incur home energy costs;
- C. If the energy assistance payments are made separately or combined with other assistance payments, such as PA or GA, the energy assistance results in an increase in total assistance to the household (not counting Food Stamps) when compared to the assistance level as of the first day of the State or local legislative session during which the energy assistance is authorized or increased;
- D. The energy assistance is based on studies, surveys, or reports evaluating home energy costs. The energy assistance levels should be directly tied to the findings of such studies, surveys, or reports; and
- E. The energy assistance payments are designated as such by the legislative body enacting them.

NOTE: Payments made under the Vermont Fuel Assistance Program are those referred to in the first sentence of 273.9c 11 and are excluded income.

- ii. The payments or allowances are clearly designated, (A) in State or local law, or (B) in documentation supporting or accompanying the statute, as energy assistance, distinct from other assistance. If the designation is contained only in supporting documentation, it must clearly reflect the intent of both chambers of a bicameral legislature or the intent of a majority of members of a town council or county board. Documentation that would show a majority intent of an enacting body could take the form of a legislative resolution, the preamble and body of county regulations, county or town ordinances, or similar measures that represent the wishes of an entire legislative body; and
- iii. The levels of State or local energy assistance payments or allowances are calculated based on the seasonal home energy needs of typical households over an aggregate period not exceeding six months per year. If the State or local energy assistance is actually provided over a period longer than this aggregate, then the State agency shall document the reasons why it is administratively infeasible or impracticable to provide the energy assistance within the aggregate period on which it is based. If the legislation enacting the energy assistance program requires calculation of the energy assistance payments on the basis of only increased seasonal home energy needs, such payments may be excluded.

12.

NOTE: Procedural material not applicable to the Policy Manual.

Income and Deductions

13. Cash donations based on need received on or after February 1, 1988, from one or more private nonprofit charitable organizations, but not to exceed \$300 in a Federal fiscal year quarter.
 14. Earned income tax credit payments received either as a lump sum or payments under section 3507 of the Internal Revenue Code of 1986 (relating to advance payment of earned income tax credits received as part of the paycheck or as a reduction in taxes that otherwise would have been paid at the end of the year).
 15. Any payment made to an E&T participant under 273.7(d)(1)(ii) for costs that are reasonably necessary and directly related to participation in the E&T program. These costs include, but are not limited to, dependent care costs, transportation, other expenses related to work, training or education, such as uniforms, personal safety items or other necessary equipment, and books or training manuals. These costs shall not include the cost of meals away from home. Also, the value of any dependent care services provided for or arranged under 273.7(d)(1)(ii)(A) would be excluded.
 16. Governmental foster care payments received by households who are considered to be boarders in accordance with 273.1(c).
 17. Income of an SSI recipient necessary for the fulfillment of a plan for achieving self-support (PASS) which has been approved under sections 1612(b)(4)(A)(iii) or 1612(b)(4)(B)(iv) of the Social Security Act. This income may be spent in accordance with approved PASS or deposited into a PASS savings account for future use.
- d. Income Deductions Deductions shall be allowed only for the following household expenses:
1. Standard Deduction

The per household per month standard deduction amounts applicable for use in the 48 contiguous States and the District of Columbia, and the amounts applicable for Alaska, Hawaii, Guam, and the Virgin Islands will be prescribed in General Notices published in the Federal Register.

VERMONT: The standard deduction is published in Section P-2590 A of the Welfare Procedures Manual.
 2. Earned Income Deduction

Twenty percent of gross earned income as defined in paragraph (b)(1) of this section. Earnings excluded in paragraph (c) of this section shall not be included in gross earned income for purposes of computing the earned income deduction. The earned income deduction shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner. Earned income does not include any portion of income received under a work supplementation/support program that is attributable to public assistance.
 3. Excess Medical Deduction

That portion of medical expenses in excess of \$35 per month, excluding special diets, incurred by any household member who is elderly or disabled as defined in 271.2. Spouses or other persons receiving benefits as a dependent of the SSI or disability and blindness recipient are not eligible to receive this deduction but persons receiving emergency SSI benefits based on presumptive eligibility are eligible for this deduction. Allowable medical costs are:

 - i. Medical and dental care including psychotherapy and rehabilitation services provided by a licensed practitioner authorized by State law or other qualified health professional.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.9d 3v **Effective date of this memo** 2/23/16 **Page** 1

This memo: is new **Replaces one dated** 8/1/2008

Effective immediately, use 58.5 cents per mile to calculate mileage for medical expenses (FMED) and the cost of travel to and from the caregiver when calculating dependent care expenses (DCEX).

Apply this mileage rate to a case at recertification, when there is a change, or when a recipient requests it.

You must use MapQuest to determine actual mileage. If MapQuest does not recognize an address, use Google Maps and enter a CATN to explain why you used something other than MapQuest. Print these verifications and post in OnBase to show the mileage calculation.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9d 4 Date of this Memo 04/15/2009 Page 1 of 1

This Memo: is New Replaces one dated _____

Administrative Directive: Transportation Costs as Dependent Care Expense

The 2008 Farm Bill eliminated the cap on out-of-pocket expenses paid by a household for child care or other dependent care when necessary for a household member to accept or continue employment, comply with the employment and training requirements, or attend training or pursue education preparatory to employment.

In addition, the department has expanded the rule on the 3SquaresVT deduction for dependent care expense to include the cost of transportation of the dependent to and from the dependent care site at the standard mileage rate (see PP at 273.9d 3v for current rate). Allowable expenses for dependent care include:

- private dependent care arrangements with individuals not in the household;
- out-of-pocket costs for child and adult care, including co-pays for subsidized care;
- before school, after school, and latch key programs, such as Boys and Girls Clubs, YMCA and YWCA;
- summer camp fees; and
- transportation costs to and from program sites at the current ESD mileage reimbursement rate or the actual cost of public transportation.

We revised the ESD 218B (Dependent Care Expense form) to capture both the amount the child care provider charges the parent and any subsidy paid by the state, clearly distinguishing the out-of-pocket costs that the parent pays. We also added a section to capture transportation costs

There is no requirement to verify the household's self-declaration of the cost of dependent care unless the information is questionable (inconsistent with other known information). Neither Federal nor Vermont rules require that dependent care expenses be verified, nor does the newly enacted 2008 Farm Bill.

If the information on the form is questionable, contact the dependent care provider for verification, and document it in the case file. Using the 218B is not mandatory, but may be helpful for documentation. The household may record its expenses in some other form, as long as it contains the information you need to process the case correctly; or you may document the expenses on the application or in the case file.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9d 5iA Date of this Memo 04/05/2013 Page 1 of 1

This Memo: is New Replaces one dated _____

Allowable Shelter Costs – FNS Clarification

QUESTION:

Are condo fees an allowable shelter cost for someone who is renting a condominium?

ANSWER:

In most instances there would be no fees for the renter. Payment of condo fees are a separate expense required by the rental agreement between the property owner and the tenant we can allow the expense.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.9(d)(3)(vii) Date of this memo December 5, 2014 Pages 1 of 2

This memo: is new Replaces one dated _____

Policy - Treatment of Expenses for Service Animals

Federal Regulations at 7 CFR 273.9(d)(3)(vii) state that allowable medical costs that may be deducted from an applicant's income include, "securing and maintaining a seeing eye or hearing dog including the cost of dog food and veterinary bills." However, the Food and Nutrition Service (FNS) expanded the scope of this rule in FNS Policy Memo 90-20 to include the "**costs associated with any animal specially trained to serve the needs of disabled Program participants.**" Under this expanded policy, the animal need only be "specially trained" to serve the needs of a program participant who meets the definition of disabled under program regulations at 7 CFR 271.2.

Question: What does "special training" mean?

Answer: FNS has never been specific on the meaning of "special training." At the very least, the animal should be trained to be able to perform some function that the client cannot readily perform, or be trained to help the client compensate for his or her disability. If the animal is not specially trained to provide a specific function or service, the animal is considered a pet for program purposes, and that animal's costs would not be deducted. For example, a client with an anxiety-related disability purchases a dog because the mere presence of the animal in his or her home reduces the anxiety that the individual experiences. Under these circumstances, the costs associated with securing and maintaining the dog would not be able to be deducted, because the dog has not been "specially trained." However, if the dog is trained to lick the client's face during times of increased anxiety, or stand still if the client gets dizzy, the costs may be deducted.

Question: What if the service animal has completed obedience training?

Answer: Obedience training, by itself, does not constitute special training for purposes of this deduction. The training needs to be related to providing a service connected to the client's disability.

Question: What if a service animal is prescribed by a physician, but has not been specially trained?

Answer: If an animal, even if prescribed by a physician, has not received training specific to the client's disability, the costs associated with it cannot be deducted.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.9(d)(3)(vii) **Date of this memo** December 5, 2014 **Pages** 2 of 2

This memo: **is new** **Replaces one dated** _____

Question: Can a client train their own dog to perform functions that serve the needs of his or her own disability?

Answer: FNS does not require the trainer to have a particular credential or background. Therefore, the client could be the individual who provided the training. The key is that the animal be specially trained. It does not matter who provides the training.

Question: Is verification necessary to show that the animal has been “specially trained?”

Answer: Verification of training is not needed unless questionable. Information regarding an animal’s training is not questionable as long as the client provides a satisfactory explanation of the training that is consistent with information that the client has provided on the application, has stated during the interview, or is otherwise known to the Department. Any decision to allow or not allow a deduction should be documented in CATN.

Question: Is there a limit as to how many specially trained animals a client may own for this deduction?

Answer: No. FNS has not prescribed a limit to the number of specially trained animals an individual may claim for this deduction.

Question: Can costs to secure and maintain an animal specially trained for a client’s mental disability be deducted?

Answer: Yes. Both physical and mental disabilities that meet the program definition of a disabled participant (found at 7 CFR 271.2) qualify as disabilities for which a specially trained animal may be of service in order to qualify for this deduction.

Question: Can the cost of special diets and medicines required by the service animal be deducted?

Answer: Yes, provided that the service animal meets all other requirements for this deduction, and the medication and/or special dietary requirements have been prescribed by a veterinarian.

Questions to Ask the Client in Making a Determination

- (1) What service is the animal providing that meets the needs of the disabled individual?
- (2) What is the training the animal received to be able to provide this service?
- (3) Does the client have verification of the costs for the animal?

Income and Deductions

- ii. Hospitalization or outpatient treatment, nursing care, and nursing home care including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home provided by a facility recognized by the state.
- iii. Prescription drugs when prescribed by a licensed practitioner authorized under state law and other over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional; in addition, costs of medical supplies, sick-room equipment (including rental) or other prescribed equipment are deductible;
- iv. Health and hospitalization insurance policy premiums. The costs of health and accident policies such as those payable in lump sum settlements for death or dismemberment or income maintenance policies such as those that continue mortgage or loan payments while the beneficiary is disabled are not deductible;
- v. Medicare premiums related to coverage under Title XVIII of the Social Security Act; any cost-sharing or spend down expenses incurred by Medicaid recipients;
- vi. Dentures, hearing aids, and prosthetics;
- vii. Securing and maintaining a seeing eye or hearing dog including the cost of dog food and veterinarian bills;
- viii. Eye glasses prescribed by a physician skilled in eye disease or by an optometrist;
- ix. Reasonable cost of transportation and lodging to obtain medical treatment or services;

VERMONT NOTE: Allowable transportation costs shall be "as paid" when car pooling, using public transportation, or based upon mileage as estimated by the recipient computed at a rate of \$.31 per mile for individuals using their own or a borrowed car.

- x. Maintaining an attendant, homemaker, home health aide, or child care services, housekeeper, necessary due to age, infirmity, or illness. In addition, an amount equal to the one person coupon allotment shall be deducted if the household furnishes the majority of the attendant's meals. The allotment for this meal related deduction shall be that in effect at the time of initial certification. The State agency is only required to update the allotment amount at the next scheduled recertification; however, at their option, the State agency may do so earlier. If a household incurs attendant care costs that could qualify under both the medical deduction and dependent care deduction, the State agency shall treat the cost as a medical expense.

4. Dependent Care

Payments for the actual costs for the care of children or other dependents when necessary for a household member to accept or continue employment, comply with the employment and training requirements as specified under 273.7(f), or attend training or pursue education which is preparatory to employment, except as provided in 273.10(d)(1)(i).

VERMONT: The maximum monthly deduction is published in Section P-2590 A1 of the Welfare Procedures Manual.

5. Shelter Costs

Income and Deductions

i. Household Shelter Deduction

Monthly shelter costs in excess of 50 percent of the household's income after all other deductions in paragraphs (d)(1), (2), (3) and (4) of this section have been allowed. The shelter deduction shall not exceed the maximum limit unless the household contains a member who is elderly or disabled as defined in 271.2. Such households shall receive an excess shelter deduction for the monthly cost that exceeds 50 percent of the household's monthly income after all other applicable deductions. The shelter deduction maximum amount is prescribed in the Federal Register and published in section P-2590 A of the food stamp procedures manual.

Shelter costs shall include only the following:

- A. Continuing charges for the shelter occupied by the household, including rent, mortgage, condo and association fees, or other continuing charges leading to the ownership of the shelter such as loan repayments for the purchase of a mobile home, including interest on such payments.
- B. Property taxes, state and local assessments, and insurance on the structure itself, but not separate costs for insuring furniture or personal belongings.

Taxes, assessments, and insurance are averaged over the full period for which they are incurred. Households may request that they be averaged over the certification period in which the nondelinquent payment is due, or computed against the individual month in which the nondelinquent payment is due, providing such option does not result in any duplication of deductions. No deduction shall be allowed for delinquent payments that were initially due prior to the current certification period.

- C. The cost of heating and cooking fuel; cooling and electricity; water and sewerage; garbage and trash collection fees; the basic service fee for one telephone, including tax on the basic fee; and fees charged by the utility provider for initial installation of the utility. One-time deposits shall not be included as shelter costs.
- D. The shelter costs for the home if temporarily not occupied by the household because of employment or training away from the home, illness, or abandonment caused by a natural disaster or casualty loss. For costs of a home vacated by the household to be included in the household's shelter costs, the household must intend to return to the home; the current occupants of the home, if any, must not be claiming the shelter costs for Food Stamp purposes; and the home must not be leased or rented during the absence of the household.
- E. Charges for the repair of the home which was substantially damaged or destroyed due to a natural disaster such as a fire or flood. Shelter costs shall not include charges for repair of the home that have been or will be reimbursed by private or public relief agencies, insurance companies, or from any other source.

6. Standard Utility Allowance

- i. The State agency may elect to offer a standard utility allowance to households for use in calculating shelter costs. The State may establish either:
 - A. a separate standard utility allowance for individual utility expenses defined in paragraph (d)(5)(ii)(C) of this section;

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9d **Date of this Memo** 01/19/2004 **Page** 1 **of** 1

This Memo: **is New** **Replaces one dated** _____

UPDATE:

Effective January 19, 2004, households living in public housing units with central utility meters where heat is included in the rent are entitled to receive the full standard utility allowance with heat if they are charged for excess utility usage related to heating or cooling costs.

Only charges incurred for excess heating or cooling costs qualify. Energy surcharges incurred for using a freezer, washer, dryer, or other appliance, do not qualify.

Typically, this rule will affect households that incur excess cooling charges to offset the cost of using an air conditioner during the summer months. Such households are entitled to receive the full SUA for the duration of their certification period, even if the excess utility fee is a one-time-only charge during the year.

This provision will be implemented on a case-by-case basis. Workers identifying such cases should process them by FIAT.

Income and Deductions

- B. a single standard utility allowance which includes a heating or cooling component and which is available to all households which incur out-of-pocket heating or cooling expenses; or
- C. two single standard utility allowances which include a heating or cooling component.

If the State agency chooses to develop two standard utility allowances for households which incur heating or cooling expenses, one standard shall only be used for those households which receive indirect energy assistance payments other than payments under the Low Income Energy Assistance Act of 1981, and the second standard shall be used for all other households.

VERMONT: This option for two standard utility allowances for households which incur heating or cooling expenses is not adopted.

A cooling cost is a verifiable utility expense relating to the operation of air conditioning systems or room air conditioners.

- ii. The standard utility allowance which includes a heating or cooling component shall be made available only to households which incur heating and cooling costs separately and apart from their rent or mortgage. These households include:
 - A. Residents of rental housing who are billed on a monthly basis by their landlords for actual usage as determined through individual metering;
 - B. Recipients of energy assistance payments made under the Low Income Home Energy Assistance Act of 1981; or
 - C. Recipients of indirect energy assistance payments, made under a program other than the Low Income Home Energy Assistance Act of 1981, who continue to incur out-of-pocket heating or cooling expenses in accordance with 273.10 (d)(6) during any month covered by the certification period.

To be qualified, the household must be billed on a regular basis for its heating and cooling costs. A household which incurs cooling or heating fuel costs on an irregular basis but is otherwise eligible to use the standard allowance may continue to use the standard allowance between billing months. A household which lives in a public housing unit or other rental housing unit which has central utility meters and charges the household only for excess heating or cooling costs shall not be permitted to use the standard utility allowance which includes a heating or cooling cost component. If a household is not entitled to the standard utility allowance, it may claim the actual utility expenses (for any utility identified in paragraph (d)(5)(ii)(C) of this section) which it does pay separately.

VERMONT: The State has elected to offer a standard utility allowance to households for use in calculating shelter costs.

- iii. The State agency may elect to develop either an annualized standard utility allowance or seasonal standard utility allowances. If the state agency elects to use a single annualized standard utility allowance, it will not be required to seasonally adjust the budgets of qualified households which incur either heating or cooling costs. If the State agency elects to vary the allowance seasonally, it shall ensure that during the heating season the allowance is provided only to households with heating costs, and that during the cooling season the allowance is provided only to households with cooling costs.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9d **Date of this Memo** 11/01/2007 **Page** 1 of 1

This Memo: is New Replaces one dated _____

UPDATE:

Air conditioning gives full standard utility allowance

FNS has approved Vermont’s use of the Standard Utility Allowance with Heat when a household pays for heat or air conditioning.

Beginning as soon as administratively possible, use the full heating/cooling standard utility allowance (HCSUA) when a household reports heating or cooling costs. Apply this standard at initial application, at recertification, or when processing a reported change.

See procedures at P-2510 E14 for details on processing these cases.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.9d **Date of this Memo** 01/16/2004 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

Effective January 16, 2004, we will no longer prorate the standard utility allowance (SUA) for food stamp households living together and sharing the cost of fuel or utilities. Budget all food stamp households paying for heat or utilities to receive the full appropriate SUA (i.e., with heat or without heat) regardless of the number of separate households living together and sharing expenses.

NOTE: This does not apply to the telephone only standard, which was never prorated among shared households.

Income and Deductions

VERMONT: Vermont has elected to use an annualized standard utility allowance. The standard is located in the P-2590 A section of the Procedures Manual.

- iv. State agencies shall develop methodologies, subject to FNS approval, to be followed in establishing their standard utility allowances. The standard allowance(s) developed by the State agency shall be submitted to FNS for approval.
- v. The State agency may establish standard utility allowances as prescribed in paragraph (d)(6)(i) of this section.
 - A If the State agency established separate standard allowances, households which do not qualify for the standard allowance for heating and cooling costs may be allowed to use the other standard allowances.
 - B If the State agency establishes one or two single standard allowances, it shall include the cost of heating and/or cooling, cooking fuel, electricity not used to heat or cool the residence, the basic service fee for one telephone, sewerage, and garbage and trash collection. If the State agency elects to develop a single standard for those households which receive indirect energy assistance payments as provided for in paragraph (d)(6)(i) of this section, the standard shall reflect the average out-of-pocket heating or cooling expense for such households.
 - C The State agency may develop a method, subject to FCS approval, for calculating a mandatory telephone allowance for use in conjunction with a single utility allowance or as the standard allowance for the telephone if the State has separate standard allowances by utility. In States with a single utility allowance, the telephone allowance would apply to households which are not entitled to claim the overall standard, but which, nonetheless, incur separate telephone expenses. The State agency may mandate use of the telephone allowance even if actual telephone costs are higher.

VERMONT: The option of separate standard allowances has been selected.
There will be three standards as follows:

- 1. Mandated standard with heat that includes all items in (d)(5)(ii)(c).
 - 2. Mandated standard without heat that includes all items in (d)(5)(ii)(c) except heat to apply to households that do not pay for heat but incur costs for cooking fuel and electricity not used to heat.
 - 3. Mandated telephone allowance that would apply to households which are not entitled to claim the standards with heat or without heat, but which incur separate telephone expenses.
- vi. The State agency shall review and adjust the standard utility allowance(s) annually to reflect changes in the cost of utilities. The State agency may use data gathered through quality control sampling, surveys of utility company rates, or other methods for updating the standard utility allowance(s). The State agency may vary the size of the standard utility allowance to reflect differences such as seasonal cost changes or cost variations between geographical areas.

The annual update to standard utility allowances will coincide with the update and issuance of other federally-mandated standards. Updated annual standards will be

Income and Deductions

implemented on October 1 — or as otherwise directed by the Food and Nutrition Services of the USDA — and will be published in procedures.

Any update resulting in a decrease to the standard utility allowance shall be subject to public notice and hearing and/or an opportunity for public comment prior to adoption. The methodology for updates to the standard utility allowance — both proposed and adopted — shall be posted on the Department's website.

- vii. If a household lives with and shares heating or cooling expenses with another individual, another household, or both, the State agency shall not prorate the standard for such households if the State agency mandates use of standard utility allowances in accordance with paragraph 273.9d 6 iii E of this section. The State agency may not prorate the SUA if all the individuals who share utility expenses but are not in the food stamp household are excluded from the household only because they are ineligible.

7. Child Support Deduction

Legally obligated child support payments paid by a household member to or for a nonhousehold member, including payments made to a third party on behalf of the nonhousehold member (vendor payments). The State agency shall allow a deduction for amounts paid toward arrearages. Alimony payments made to or for a nonhousehold member shall not be included in the child support deduction.

8. Adjustment of Standard Deduction

NOTE: Procedural material not applicable to the Policy Manual.

9. Adjustment of Shelter Deduction

NOTE: Procedural material not applicable to the Policy Manual.

Determining Household Eligibility and Benefit Levels

273.10 Determining Household Eligibility and Benefit Levels (03/01/1998, 98-4)

a. Month of Application

1. Determination of Eligibility and Benefit Levels

- i A household's eligibility shall be determined for the month of application by considering the household's circumstances for the entire month of application. Most households will have the eligibility determination based on circumstances for the entire calendar month in which the household filed its application. However, State agencies may, with the prior approval of FCS, use a fiscal month if the State agency determines that it is more efficient and satisfies FCS that the accounting procedures fully comply with certification and issuance requirements contained in these regulations. A State agency may elect to use either a standard fiscal month for all households, such as from the 15th of one calendar month to the 15th of the next calendar month, or a fiscal month that will vary for each household depending on the date an individual files an application for the Program. Applicant households consisting of residents of a public institution who apply jointly for SSI and Food Stamps prior to release from the public institution in accordance with 273.1(e)(2) will have their eligibility determined for the month in which the applicant household was released from the institution.

VERMONT: The calendar month will be used.

- ii A household's benefit level for the initial month of certification shall be based on the day of the month it applies for benefits and the household shall receive benefits from the date of application to the end of the month unless the applicant household consists of residents of a public institution. For households which apply for SSI prior to their release from a public institution in accordance with 273.1(e)(2), the benefit level for the initial month of certification shall be based on the date of the month the household is released from the institution and the household shall receive benefits from the date of the household's release from the institution to the end of the month. As used in this section, the term initial month means the first month for which the household is certified for participation in the Food Stamp Program following any period of more than one month, during which the household was not certified for participation, except for migrant and seasonal farm worker households. Benefits for migrant and seasonal farm worker households are only prorated if there is a break of more than 30 days. For purposes of this provision, a household is not considered to be the same household as the previously participating household if the certification worker has established a new food stamp case for the household because of a significant change in the membership of the previously participating household.

Recertification shall be processed in accordance with 273.10(a)(2). The State agency shall prorate a household's benefits according to one of the two following options:

- A. The State agency shall use of standard 30 day calendar or fiscal month. A household applying on the 31st of the month will be treated as though it applied on the 30th of the month.
- B. The State agency shall pro rate benefits over the exact length of a particular calendar or fiscal month.
- iii To determine the amount of the prorated allotment the State agency shall use either the appropriate Food Stamp Allotment Proration Table provided by FCS or whichever of the following formulae is appropriate:

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.10b **Date of this Memo** 02/08/1984 **Page** 1 of 1

This Memo: is New **Replaces one dated** 04/11/1980

QUESTION: What income should be used to calculate Food Stamp benefits for clients whose ANFC is being closed and are due an extra month's benefits?

ANSWER: If you have enough information to be able to re-calculate Food Stamp eligibility based on the new income situation, the household can be recertified.

If you don't have enough information to recertify, use the ANFC income situation and continue the current allotment level for one month to allow time for recertification.

Determining Household Eligibility and Benefit Levels

- A. For State agencies which use a standard 30 day calendar or fiscal month the formula is as follows, keeping in mind that the date of application for someone applying on the 31st of a month is the 30th:

VERMONT: This is the option that has been chosen. Prorate tables are located in section P 2590E of the Welfare Procedures Manual. The tables use the rounding method described below.

- B. VERMONT: Deleted as not applicable.

- C. If after using the appropriate formula the result ends in 1 through 99 cents, the State agency shall round the product down to the nearest lower whole dollar. If the computation results in an allotment of less than \$10, then no issuance shall be made for the initial month.

- iv Those households which are entitled to expedited service as defined in 273.2(i)(1), and which apply for benefits after the 15th of the month, shall be assigned certification periods in accordance with 273.2(i)(4)(iii). However, the benefits for the second full month following the month of application shall not be issued until all necessary verification, not already provided, has been provided to the State agency.

2. Application for Recertification

Eligibility for recertification shall be determined based on circumstances anticipated for the certification period starting the month following the expiration of the current certification period. The level of benefits for recertifications shall be based on the same anticipated circumstances, except for retrospectively budgeted households which shall be recertified in accordance with 273.21(f)(2). If an application for recertification is submitted after the household's certification period has expired, then that application shall be considered an initial application and benefits for that month shall be prorated in accordance with paragraph (a)(1)(ii) of this section. In addition, if the household submits an application for recertification prior to the end of its certification period but is found ineligible for the first month following the end of the certification period, then the first month of any subsequent participation shall be considered an initial month. Conversely, if the household submits an application for recertification prior to the end of its certification period and is found eligible for the first month following the end of the certification period, then that month shall not be an initial month.

3. Anticipated Changes

Because of anticipated changes, a household may be eligible for the month of application, but ineligible in the subsequent month. The household shall be entitled to benefits for the month of application even if the processing of its application results in the benefits being issued in the subsequent month. Similarly a household may be ineligible for the month of application, but eligible in the subsequent month due to anticipated changes in circumstances. Even though denied for the month of application, the household does not have to reapply in the subsequent month. The same application shall be used for the denial for the month of application and the determination of eligibility for subsequent months, within the timeliness standards in 273.2.

b.

c. Determining Income

1. Anticipating Income

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.10c **Date of this Memo** 05/14/1997 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Policy at 273.10c 2 i provides for the selection of one of three options for converting weekly or biweekly income to a monthly amount. Which option has Vermont selected?

ANSWER: Vermont shall convert the income to a monthly amount by multiplying weekly amounts by 4.3 and biweekly amounts by 2.15.

Determining Household Eligibility and Benefit Levels

- i For the purpose of determining the household's eligibility and level of benefits, the State agency shall take into account the income already received by the household during the certification period and any anticipated income the household and the State agency are reasonably certain will be received during the remainder of the certification period. If the amount of income that will be received, or when it will be received, is uncertain, that portion of the household's income that is uncertain shall not be counted by the State agency. For example, a household anticipating income from a new source, such as a new job or recently applied for public assistance benefits, may be uncertain as to the timing and amount of the initial payment. These moneys shall not be anticipated by the State agency unless there is reasonable certainty concerning the month in which the payment will be received and in what amount. If the exact amount of the income is not known, that portion of it which can be anticipated with reasonable certainty shall be considered as income. In cases where the receipt of income is reasonably certain but the monthly amount may fluctuate, the household may elect to income average. Households shall be advised to report all changes in gross monthly income as required by §273.12
- ii Income received during the past 30 days shall be used as an indicator of the income that is and will be available to the household during the certification period. However, the State agency shall not use past income as an indicator of income anticipated for the certification period if changes in income have occurred or can be anticipated. If income fluctuates to the extent that a 30 day period alone cannot provide an accurate indication of anticipated income, the State agency and the household may use a longer period of past time if it will provide a more accurate indication of anticipated fluctuations in future income. Similarly, if the household's income fluctuates seasonally, it may be appropriate to use the most recent season comparable to the certification period, rather than the last 30 days, as one indicator of anticipated income. The State agency shall exercise particular caution in using income from a past season as an indicator of income for the certification period. In many cases of seasonally fluctuating income, the income also fluctuates from one season in one year to the same season in the next year. However, in no event shall the State agency automatically attribute to the household the amounts of any past income. The State agency shall not use past income as an indicator of anticipated income when changes in income have occurred or can be anticipated during the certification period.

2. Income Only in Month Received

- i Income anticipated during the certification period shall be counted as income only in the month it is expected to be received, unless the income is averaged. Whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the State agency shall convert the income to a monthly amount by multiplying weekly amounts by 4.3 and biweekly amounts by 2.15, use the State agency's PA conversion standard, or use the exact monthly figure if it can be anticipated for each month of the certification period. Nonrecurring lump sum payments shall be counted as a resource starting in the month received and shall not be counted as income.
- ii Wages held at the request of the employee shall be considered income to the household in the month the wages would otherwise have been paid by the employer. However, wages held by the employer as a general practice, even if in violation of law, shall not be counted as income to the household, unless the household anticipates that it will ask for and receive an advance, or that it will receive income from wages that were previously held by the employer as a general practice and that were, therefore, not previously counted as income by the State agency. Advances on wages shall count as

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income in the month received only if reasonably anticipated as defined in paragraph (c)(1) of this section.

- iii Households receiving income on a recurring monthly or semi-monthly basis shall not have their monthly income varied merely because of changes in mailing cycles or pay dates or because weekends or holidays cause additional payments to be received in a month.

3. Income Averaging

- i Households, except destitute households, and PA households subject to a monthly reporting requirement, may elect to have income averaged. Income shall not be averaged for a destitute household since averaging would result in assigning to the month of application income from future periods which is not available to the destitute household for its current food needs. To average income, the State agency shall use the household's anticipation of income fluctuations over the certification period. The number of months used to arrive at the average income need not be the same as the number of months in the certification period. For example, if fluctuating income for the past 30 days and the month of application are known and, with reasonable certainty, are representative of the income fluctuations anticipated for the coming months, the income from the two known months may be averaged and projected over a certification period of longer than two months.

VERMONT: Vermont chooses not to require any household to participate in the Monthly Reporting and Retrospective Budgeting (MRRB) System.

- ii Households which, by contract or self employment, derive their annual income in a period of time shorter than 1 year shall have that income averaged over a 12 month period, provided the income from the contract is not received on an hourly or piecework basis. These households may include school employees, share croppers, farmers, and other self employed households. However, these provisions do not apply to migrant or seasonal farmworkers. The procedures for averaging self employed income are described in 273.11. Contract income which is not the household's annual income and is not paid on an hourly or piece work basis shall be prorated over the period the income is intended to cover.
- iii Earned and unearned educational income, after allowable exclusions, shall be averaged over the period which it is intended to cover. Income shall be counted either in the month it is received, or in the month the household anticipates receiving it or receiving the first installment payment, although it is still prorated over the period it is intended to cover.

VERMONT: Vermont chooses to count income in the month it is received and will prorate this income over the appropriate quarter, semester, or year. For example, if the income is received in August for the fall semester, the income will be prorated over August, September, October, November and December.

d. Determining Deductions

1. Disallowed Expenses

- i Any expense, in whole or part, covered by educational income which has been excluded pursuant to the provisions of 273.9(c)(3) shall not be deductible. Any expense covered

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by an excluded reimbursement (including reimbursements under employment and training programs) or excluded vendor payment (except an energy assistance vendor payment made under the Low Income Home Energy Assistance Act (LIHEAA)) shall not be deductible. For example, the portion of rent covered by excluded vendor payments shall not be calculated as part of the household's shelter cost.

In addition, an expense which is covered by an excluded vendor payment that has been converted to a direct cash payment under the approval of a federally authorized demonstration project as specified under 273.9(c)(1) shall not be deductible. However, that portion of an allowable medical expense which is not reimbursable shall be included as part of the household's medical expenses.

If the household reports an allowable medical expense at the time of certification but cannot provide verification at that time, and if the amount of the expense cannot be reasonably anticipated based upon available information about the recipient's medical condition and public or private medical insurance coverage, the household shall have the nonreimbursable portion of the medical expense considered at the time the amount of the expense or reimbursement is reported and verified. A dependent care expense which is reimbursed or paid for by the Job Opportunities and Basic Skills Training (JOBS) program under Title IV-F of the Social Security Act (42 U.S.C.681) or the Transitional Child Care (TCC) program shall not be deductible. A utility expense which is reimbursed or paid by an excluded payment, including HUD or FmHA utility reimbursements, shall not be deductible.

- ii Expenses shall only be deductible if the service is provided by someone outside of the household and the household makes money payment for the service. For example, a dependent care deduction shall not be allowed if another household member provides the care, or compensation for the care is provided in the form of an inkind benefit, such as food.

2. Billed Expenses

Except as provided in paragraph (d)(3) of this section a deduction shall be allowed only in the month the expense is billed or otherwise becomes due, regardless of when the household intends to pay the expense. For example, rent which is due each month shall be included in the household's shelter costs, even if the household has not yet paid the expense. Amounts carried forward from past billing periods are not deductible, even if included with the most recent billing and actually paid by the household. In any event, a particular expense may only be deducted once.

3. Averaging Expenses

Households may elect to have fluctuating expenses averaged. Households may also elect to have expenses which are billed less often than monthly averaged forward over the interval, averaged forward over the period the expense is intended to cover. For example, if a household receives a single bill in February which covers a three month supply of fuel oil, the bill may be averaged over February, March and April. The household may elect to have one time only expenses averaged over the entire certification period in which they are billed. Households reporting one time only medical expenses during their certification period may elect to have a one time deduction or to have the expense averaged over the remaining months of their certification period. Averaging would begin the month the change would become effective.

4. Anticipating Expenses

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The State agency shall calculate a household's expenses based on the expenses the household expects to be billed for during the certification period. Anticipation of the expense shall be based on the most recent month's bills, unless the household is reasonably certain a change will occur. When the household is not claiming the utility standard, the State agency may anticipate changes during the certification period based on last year's bills from the same period updated by overall price increases; or, if only the most recent bill is available, utility cost increases or decreases over the months of the certification period may be based on utility company estimates for the type of dwelling and utilities used by the household. The State agency shall not average past expenses, such as utility bills for the last several months, as a method of anticipating utility costs for the certification period. At certification and recertification, the household shall report and verify all medical expenses. The household's monthly medical deduction for the certification period shall be based on the information reported and verified by the household, and any anticipated changes in the household's medical expenses that can be reasonably expected to occur during the certification period based on available information about the recipient's medical condition, public or private insurance coverage, and current verified medical expenses. The household shall not be required to file reports about its medical expenses during the certification period. If the household voluntarily reports a change in its medical expenses, the State agency shall verify the change in accordance with 273.2(f)(8)(ii) if the change would increase the household's allotment. The State agency has the option of either requiring verification prior to acting on the change, or requiring the verification prior to the second normal monthly allotment after the change is reported. In the case of a reported change that would decrease the household's allotment, or make the household ineligible, the State agency shall act on the change without requiring verification, though verification which is required by 273.2(f)(8) shall be obtained prior to the household's recertification. If a child in the household reaches his or her second birthday during the certification period, the \$200 maximum dependent care deduction defined in 273.9(d)(4) shall be adjusted in accordance with this section not later than the household's next regularly scheduled recertification.

VERMONT: Verify changes which result in an increase in accordance with verification requirements at 273.2(f)(8)(ii).

5. Conversion of Deductions

The income conversion procedures in (c)(2) of this section shall also apply to expenses billed on a weekly or biweekly basis.

6. Energy Assistance Payments

Not applicable in Vermont. The option of a second Standard Utility Allowance for households receiving indirect payments for energy assistance was not adopted.

7. Households which contain a member who is a disabled SSI recipient in accordance with paragraphs (2), (3), (4) or (5) of the definition of a disabled member in 271.2 or households which contain a member who is a recipient of SSI benefits and the household is determined within the 30 day processing standard to be categorically eligible [as discussed in 273.2(j)] or determined to be eligible as an NPA household and later becomes a categorically eligible household, shall be entitled to the excess medical deduction of 273.9(d)(3) and the uncapped excess shelter expense deduction of 273.9(d)(5) for the period for which the SSI recipient is authorized to receive SSI benefits or the date of the Food Stamp application, whichever is later, if the household incurs such expenses.

Households, which contain an SSI recipient as discussed in this paragraph, which are determined ineligible as an NPA household and later become categorically eligible and

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.10e Date of this Memo 07/23/1990 Page 1 of 1

This Memo: is New Replaces one dated 02/08/1984

QUESTION: College work-study income is available to food stamp households in two different ways”

- A. Income earned at a certain rate, times a certain number of hours is paid (less FICA) to work-study participants
- B. Work-study income is available to a participant on a limited basis as follows: the work-study formula is calculated to arrive at a “personal income allowance”. The amount available to the student is determined by applying a percentage to gross wages earned, less FICA. The amount of income over the personal income allowance is “earmarked” for the school to be applied to educational expenses. The work-study form available for income verification will state the amount of personal income allowance available to the student.

What is the correct earned income computation for each method?

ANSWER: For method:

- A. Find out the gross amount and apply the 20% deduction.
- B. Take care to identify the amount of money earmarked for tuition and other educational expenses. Consider that as excluded by Title IV of the Higher Education Act. The remaining personal income allowance plus the full FICA is the gross earned income. Apply the 20% deduction.

For either method, if it becomes necessary for the student to spend some of the work-study personal income allowance for allowable education expenses that were not earmarked by the institution, such as books, supplies, transportation or educationally related personal expenses, the expenses may still be excludable. The student is responsible for providing the information that will allow the eligibility worker to document in the case record that there is satisfactory verification of the claimed expenses. Excludable expenses cannot exceed the value of the assistance granted.

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entitled to restored benefits in accordance with 273.2(j)(1)(iv), shall receive restored benefits using the medical and excess shelter expense deductions from the beginning of the period for which SSI benefits are paid, the original Food Stamp application date or December 23, 1985, whichever is later, if the household incurs such expenses.

8. Child Support Deduction

State agencies may budget child support payments prospectively, in accordance with paragraphs (d)(2) through (d)(5) of this section, or retrospectively, in accordance with 273.21(b) and 273.21(f)(2), regardless of the budgeting system used for the household's other circumstances.

VERMONT: Vermont chooses to budget child support payments prospectively.

e. Calculating Net Income and Benefit Levels

1. New Monthly Income

i To determine a household's net monthly income, the Sate agency shall:

- A. Add the gross monthly income earned by all household members and the total monthly unearned income of all household members, minus income exclusions, to determine the household's total gross income. Net losses from the self employment income of a farmer shall be offset in accordance with 273.11(a)(2)(iii).
- B. Multiply the total gross monthly earned income by 20 percent and subtract that amount from the total gross income, or multiply the total gross monthly earned income by 80 percent and add that to the total monthly unearned income, minus income exclusions.
- C. Subtract the standard deduction.
- D. If the household is entitled to an excess medical deduction as provided in 273.9(d)(3), determine if total medical expenses exceed \$35. If so, subtract that portion which exceeds \$35.
- E. E. Subtract allowable monthly dependent care expenses, if any, up to the maximum amount as specified under 273.9(d)(4) for each dependent. If the household is entitled to an excess shelter deduction, compute the household's excess shelter deduction in accordance with paragraph (e)(1)(i)(G) of this section.

VERMONT: The maximum monthly dependent care amount allowed is published in Section P 2590 A1 of the Welfare Procedures Manual.

- F. Subtract allowable monthly child support payments in accordance with 273.9(d)(7).
- G. Total the allowable shelter expenses to determine shelter costs. Subtract from total shelter costs 50 percent of the household's monthly income after all the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost. If there is no excess shelter cost, the net monthly income has been determined. If there is excess shelter cost, compute the shelter deduction according to subparagraph (H) of this section.
- H. Subtract the excess shelter cost up to the maximum amount allowed for the area (unless the household is entitled to the full amount of its excess shelter expenses)

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from the household's monthly income after all other applicable deductions. Households not subject to a capped shelter expense shall have the full amount exceeding 50 percent of their net income subtracted. The household's net monthly income has been determined.

- ii In calculating net monthly income, the state agency shall use one of the following two procedures: (A) Round down each income and allotment calculation that ends in 1 through 49 cents and round up each calculation that ends in 50 through 99 cents; or (B) apply the rounding procedure that is currently in effect for the State's Aid to Families with Dependent Children (AFDC) program. If the State AFDC program includes the cents in income calculations, the state agency may use the same procedures for Food Stamp income calculations. Whichever procedure is used, the state agency may elect to include the cents associated with each individual shelter cost in the computation of the shelter deduction and round the final shelter deduction amount. Likewise, the state agency may elect to include the cents associated with each individual medical cost in the computation of the medical deduction and round the final medical deduction amount.

VERMONT: The rounding method for calculating ANFC income will be used. This method carries cents amounts throughout the calculation. Express net income in dollars and cents.

2. Eligibility and Benefits

i

- A. Households which contain an elderly or disabled member as defined in 271.2 shall have their net income, as calculated in paragraph (e)(1) of this section (except for households considered destitute in accordance with paragraph (e)(3) of this section), compared to the monthly income eligibility standards defined in 273.9 (a)(2) for the appropriate household size to determine eligibility for the month.
- B. In addition to meeting the net income eligibility standards, households which do not contain an elderly or disabled member shall have their gross income, as calculated in accordance with paragraph (e)(1)(i)(A) of this section, compared to the gross monthly income eligibility standards defined in 273.9 (a)(1) for the appropriate household size to determine eligibility for the month.
- C. For households considered destitute in accordance with paragraph (e)(3) of this section, the State agency shall determine a household's eligibility by computing its gross and net income according to paragraph (e)(3) of this section, and comparing, as appropriate, the gross and/or net income to the corresponding income eligibility standard in accordance with paragraph 273.9 (a)(1) or (2).
- D. If a household contains a member who is 59 years old on the date of application, but who will become 60 before the end of the month of application, the State agency shall determine the household's eligibility in accordance with paragraph (e)(2)(i)(A) of this section.

ii

- A. Except as provided in paragraphs (a)(l), (e)(2)(iii), and (e)(2)(vi) of this section, the household's monthly allotment shall be equal to the maximum Food Stamp allotment for the household's size reduced by 30 percent of the household's net monthly income as calculated in paragraph (e)(l) of this section. If 30 percent of

Determining Household Eligibility and Benefit Levels

the household's net income ends in cents, the State agency shall round in one of the following ways:

- (1) The State agency shall round the 30 percent of net income up to the nearest higher dollar, or
- (2) The State agency shall not round the 30 percent of net income at all. Instead, after subtracting the 30 percent of net income from the appropriate maximum Food Stamp allotment, the State agency shall round the allotment down to the nearest lower dollar.

VERMONT: Vermont will use the first method

- B. If the calculation of benefits in accordance with paragraph (e)(2)(ii)(A) of this section for an initial month would yield an allotment of less than \$10 for the household, no benefits shall be issued to the household for the initial month.
 - C. Except during an initial month, all eligible one and two person households shall receive minimum monthly allotments equal to the minimum benefit and all eligible households with three or more members which are entitled to \$1, \$3, \$5 allotments shall receive allotments, of \$2, \$4, and \$6, respectively, to correspond with current coupon book denominations.
- iii For an eligible household with three or more members which is entitled to no benefits (except because of the proration requirements of paragraph (a)(1) and the provisions precluding issuance of less than \$10 in an initial month of paragraph (e)(2) (ii)(B) of this section):
- A. The State agency shall deny the household's application on the grounds that its net income exceeds the level at which benefits are issued; or
 - B. The State agency shall certify the household but suspend its participation subject to the following conditions:
 - (1) The State agency shall inform the suspended household, in writing, of its suspended status, and of its rights and responsibilities while it is in that status.
 - (2) The State agency shall set the household's change reporting requirements and the manner in which those changes will be reported and processed.
 - (3) The State agency shall specify which changes shall entitle the household to have its status converted from suspension to issuance, and which changes shall require the household to reapply for participation.
 - (4) The household shall retain the right to submit a new application while it is suspended.
 - (5) The State agency shall convert a household from suspension to issuance status, without requiring an additional certification interview, and issue its initial allotment, within ten days of the date the household reports the change.
 - (6) The State agency shall prorate the household's benefits, in the first month after the suspension period, from the date the household reports a change, in accordance with §273.10(a)(1).
 - (7) The State agency may delay the work registration of the household's members until the household is determined to be entitled to benefits.

Determining Household Eligibility and Benefit Levels

- VERMONT: Work registration will be delayed until the household is determined to be entitled to benefits.
- VERMONT: Option B above has been chosen. Households eligible for zero dollars shall be suspended.
- iv For those eligible households which are entitled to no benefits in their initial month of application, in accordance with paragraph (a)(1) of this section, but are entitled to benefits in subsequent months, the State agency shall certify the households beginning with the month of application.
- v When a household's circumstances change and it becomes entitled to a different income eligibility standard, the State agency shall apply the different standard at the next recertification or whenever the State agency changes the household's eligibility, benefit level or certification period, whichever occurs first.
- VERMONT: Refer to P 2590 C in the Welfare Procedures Manual which lists the current maximum allotment for each household size.
- vi During a month when a reduction, suspension or cancellation of allotments has been ordered pursuant to the provisions of 271.7, eligible households shall have their benefits calculated as follows:
- A. If a benefit reduction is ordered, State agencies shall reduce the maximum Food Stamp allotment amounts for each household size by the percentage ordered in the Department's notice on benefit reductions. State agencies shall multiply the maximum Food Stamp allotment amounts by the percentage specified in the FNS Notice; if the result ends in 1 through 99 cents, round the result up to the nearest higher dollar, and subtract the result from the normal maximum Food Stamp allotment amount. In calculating benefit levels for eligible households, State agencies would follow the procedures detailed in subparagraph (ii) above and substitute the reduced maximum Food Stamp allotment amounts for the normal maximum Food Stamp allotment amounts.
- B. Except as provided in paragraphs (a)(1), (e)(2)(ii)(B), and (e)(2)(vi)(C) of this section, one and two person households only shall be provided with at least the minimum benefit.
- C. In the event that the national reduction in benefits is 90 percent or more of the benefits projected to be issued for the affected month, the provision for a minimum benefit for households with one or two members only may be disregarded and all households may have their benefits lowered by reducing Thrifty Food Plan amounts by the percentage specified by the Department. The benefit reduction notice issued by the Department to effectuate a benefit reduction will specify whether minimum benefits for households with one or two members only are to be provided to households.
- D. If the action in effect is a suspension or cancellation, eligible households shall have their allotment levels calculated according to the procedures in paragraph (e)(2)(ii) of this section. However, the allotments shall not be issued for the month the suspension or cancellation is in effect. The provision for the minimum benefit for households with one or two members only shall be disregarded and all households shall have their benefits suspended or cancelled for the designated month.

Determining Household Eligibility and Benefit Levels

- E. In the event of a suspension or cancellation, or a reduction exceeding 90 percent of the affected month's projected issuance, all households, including one and two person households, shall have their benefits suspended, cancelled or reduced by the percentage specified by FNS.

3. Destitute Households

Migrant or seasonal farmworker households may have little or no income at the time of application and may be in need of immediate food assistance, even though they receive income at some other time during the month of application. The following procedures shall be used to determine when migrant or seasonal farmworker households in these circumstances may be considered destitute and, therefore, entitled to expedited service and special income calculation procedures. Households other than migrant or seasonal farmworker households shall not be classified as destitute.

- i Households whose only income for the month of application was received prior to the date of application, and was from a terminated source, shall be considered destitute households and shall be provided expedited service.
- A. If income is received on a monthly or more frequent basis, it shall be considered as coming from a terminated source if it will not be received again from the same source during the balance of the month of application or during the following month.
- B. If income is normally received less often than monthly, the nonreceipt of income from the same source in the balance of the month of application or in the following month is inappropriate to determine whether or not the income is terminated. For example, if income is received on a quarterly basis (e.g., on January 1, April 1, July 1, and October 1), and the household applies in mid January, the income should not be considered as coming from a terminated source merely because no further payments will be received in the balance of January or in February. The test for whether or not this household's income is terminated is whether the income is anticipated to be received in April. Therefore, for households that normally receive income less often than monthly, the income shall be considered as coming from a terminated source if it will not be received in the month in which the next payment would normally be received.
- ii Households whose only income for the month of application is from a new source shall be considered destitute and shall be provided expedited service if income of more than \$25 from the new source will not be received by the 10th calendar day after the date of application.
- A. Income which is normally received on a monthly or more frequent basis shall be considered to be from a new source if income of more than \$25 has not been received from that source within 30 days prior to the date the application was filed.
- B. If income is normally received less often than monthly, it shall be considered to be from a new source if income of more than \$25 was not received within the last normal interval between payments. For example, if a household applies in early January and is expecting to be paid every 3 months, starting in late January, the income shall be considered to be from a new source if no income of more than \$25 was received from the source during October or since that time.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

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This Memo: is New Replaces one dated 05/03/2012

12-Month Certification Period for 3SquaresVT

Federal rules require 3SquaresVT households to be assigned the longest certification period possible based on the predictability of the household's circumstances. Cases certified for 12 months or more require an interim report. This report must include any changes that may affect household eligibility and benefits. Failure without good cause to submit a required interim status report will result in case closure and loss of ongoing benefits. Use the chart below to assign certification periods based on household circumstances.

Certification Period	Household Type – 3SquaresVT
1 - 2 month certification	Households granted expedited benefits that can not be certified for a longer period because additional verification is needed and other households appearing likely to become ineligible in the near future.
12 month certification with 6 month interim report	Households with stable circumstances, including <ul style="list-style-type: none">• elderly and disabled households with earnings• ABAWD• migrant and seasonal farm worker households.
24 month certification with 12 month interim report	Households in which all adult members are elderly or disabled and without earnings.

Determining Household Eligibility and Benefit Levels

- iii Households may receive both income from a terminated source prior to the date of application, and income from a new source after the date of application, and still be considered destitute if they receive no other income in the month of application and income of more than \$25 from the new source will not be received by the 10th day after the date of application.
- iv Destitute households shall have their eligibility and level of benefits calculated for the month of application by considering only income which is received between the first of the month and the date of application. Any income from a new source that is anticipated after the day of application shall be disregarded.
- v Some employers provide travel advances to cover the travel costs of new employees who must journey to the location of their new employment. To the extent that these payments are excluded as reimbursements, receipt of travel advances will not affect the determination of when a household is destitute. However, if the travel advance is by written contract an advance of wages that will be subtracted from wages later earned by the employee, rather than a reimbursement, the wage advance shall count as income. In addition, the receipt of a wage advance for travel costs of a new employee shall not affect the determination of whether subsequent payments from the employer are from a new source of income, nor whether a household shall be considered destitute. For example, if a household applies on May 10, has received a \$50 advance for travel from its new employer on May 1 which by written contract is an advance on wages, but will not receive any other wages from the employer until May 30, the household shall be considered destitute. The May 30 payment shall be disregarded, but the wage advance received prior to the date of application shall be counted as income.
- vi A household member who changes jobs but continues to work for the same employer shall be considered as still receiving income from same source. A migrant farmworker's source of income shall be considered to be the grower for whom the migrant is working at a particular point in time, and not the crew chief. A migrant who travels with the same crew chief but moves from one grower to another shall be considered to have moved from a terminated income source to a new source.
- vii The above procedures shall apply at initial application and at recertification, but only for the first month of each certification period. At recertification, income from a new source shall be disregarded in the first month of the new certification period if income of more than \$25 will not be received from this new source by the 10th calendar day after the date of the household's normal issuance cycle.

4. Thrifty Food Plan (TFP) and Maximum Food Stamp Allotments

i Maximum Food Stamp Allotment Level

Maximum Food Stamp allotments shall be based on the TFP as defined in 271.2 and they shall be uniform by household size throughout the 48 contiguous States and the District of Columbia. The TFP amounts and maximum allotments are adjusted annually and will be prescribed in General Notices published in the Federal Register.

VERMONT: The remainder of the above paragraph deals with the Thrifty Food Plans for Hawaii, Alaska, Guam and the Virgin Islands, and has been omitted.

ii Adjustment

Determining Household Eligibility and Benefit Levels

NOTE: Procedural material not applicable to the Policy manual

VERMONT: Refer to P 2590 C in the Welfare Procedures Manual which lists the current maximum allotment (which is the Adjusted Thrifty Food Plan) for each household size.

f. Certification Periods

The State agency shall establish a definite period of time within which a household shall be eligible to receive benefits. At the expiration of each certification period, entitlement to Food Stamp benefits ends. Further eligibility shall be established only upon a recertification based upon a newly completed application, an interview, and verification as required by 273.2(f). Under no circumstances shall benefits be continued beyond the end of a certification period without a new determination of eligibility.

1. Certification periods shall conform to calendar months, except where FCS has approved the use of fiscal months. At initial application, the first month in the certification period shall generally be the month of application, even if the household's eligibility is not determined until a subsequent month. For example, if a household files an application in January and the application is not processed until February, a six month certification period would include January through June. Upon recertification, the certification period will begin with the month following the last month of the previous certification period.
2. Reserved.
3.
 - i Households in which all members are included in a single PA grant shall have their food stamp recertifications at the same time they are redetermined for PA. Definite food stamp certification periods must be assigned to these households in accordance with the provisions of this section, however, those periods may be shortened or extended in order to align the food stamp recertification date with the PA redetermination date. The household's food stamp certification period can only be extended when the household is initially approved for PA. The food stamp certification period may be extended up to 12 months to align the food stamp certification period with the PA redetermination period. If the household's certification period is extended, the State agency shall notify the household of the changes in its certification period. At the end of the extended certification period the household must be sent a Notice of Expiration and must be recertified before being eligible for further food stamp assistance, even if the PA redetermination is not set to expire. If the household's certification period is shortened, the State agency shall send it a notice of expiration which informs the household that its certification period will expire at the end of the month following the month the notice of expiration is sent and that it must reapply if it wishes to continue to participate. The notice of expiration shall also explain to the household that its certification period is expiring in order that it may be recertified for food stamps at the same time that it is redetermined for PA.
 - ii Households in which all members receive assistance under Title XIX of the Social Security Act or other medical assistance program may have their food stamp recertification at the same time they are redetermined for assistance under Title XIX or other medical assistance program. The State agency must follow the same requirements that apply in paragraph (f)(3)(i) of this section. Vermont Note: The GA provision is deleted in this section as it is not applicable.

Determining Household Eligibility and Benefit Levels

VERMONT:

4. Households shall be assigned the longest certification periods possible based on the predictability of the household's circumstances. Households shall be certified for at least three months, except as follows:
 - i Households eligible for a certification period of three months or less shall, at the time of certification, have their certification periods increased by one month, if the certification process is completed after the 15th day of the month of application and the household's circumstances warrant the longer certification period. For example, if a household which is eligible for a three month certification period makes application in June and is not certified until late June or early July, the certification period would include June through September.

VERMONT: The remainder of this paragraph is deleted because the option is rejected.

- ii Households shall be certified for one or two months, as appropriate, when the household cannot reasonably predict what its circumstances will be in the near future, or when there is a substantial likelihood of frequent and significant changes in income or household status; for example, day laborers and migrant workers if income is uncertain and subject to large fluctuations during the work season due to the uncertainty of continuous employment or due to bad weather and other circumstances.
- iii If a state agency opts to effect the Social Security/SSI cost of living increase through the process of recertification, the affected cases shall be assigned certification periods that ensure that they are due for recertification in accordance with 273.12(e)(3)(ii). Households entitled to a certification period of up to 12 months as discussed in Section 273.10(f)(5) shall, on a one time basis, be certified for less than a year in order to comply with this provision.

VERMONT: Vermont does not choose this option. Caseload cost of living benefit changes are effected at a single time.

5. Households shall be certified for up to 12 months if there is little likelihood of changes in income and household status; for example, households with a stable income record and for which major changes in income, deductions, or composition are not anticipated.
6. Households in which all adults are disabled or elderly may be certified for up to 24 months. A state agency shall have at least one contact with each certified household every 12 months.
7. Households whose primary source of income is from self employment (including self employed farmers) or from regular farm employment with the same employer shall be certified for up to 12 months, provided income can be readily predicted and household circumstances are not likely to change. Annual certification periods may be assigned to farmworkers who are provided their annual salaries on a scheduled monthly basis which does not change as the amount of work changes.
8. Households required to submit monthly reports in accordance with 273.21(b) shall be certified for not less than six months and not more than 12 months. The limit of 12 months may be waived for these households if the State agency can demonstrate that such a waiver would result in improved administration of the program. The six month minimum may be waived for households subject to less frequent than monthly reporting if the State agency can demonstrate that such a waiver would result in improved administration of the program.

Determining Household Eligibility and Benefit Levels

9. Households eligible for a child support deduction that have no record of regular child support payments or of child support arrearages and are not required to report child support payment information required by the State agency periodically (monthly or quarterly) during the certification period shall be certified for no more than 3 months. Households with a record of regular child support and arrearage payments that are not required to report payment information periodically during the certification period shall be certified for no more than 6 months. These requirements do not apply to households whose certification periods are established in accordance with paragraphs (f)(3), (f)(6), or (f)(7) of this section. Households required to report monthly or quarterly shall be assigned certification periods in accordance with paragraph (f)(8) of this section.

g. Certification Notices to Households

1. Initial Applications

i. Notice of Eligibility

- A. If an application is approved, the State agency shall provide the household with written notice of the amount of the allotment and the beginning and ending dates of the certification period. The household shall also be advised of variations in the benefit level based on changes anticipated at the time of certification. If the initial allotment contains benefits for both the month of application and the current month's benefits, the notice shall explain that the initial allotment includes more than one month's benefits, and shall indicate the monthly allotment amount for the remainder of the certification period. The notice shall also advise the household of its right to a fair hearing, the telephone number (a toll free number or a number where collect calls will be accepted for households outside the local calling area) of the Food Stamp Office, and, if possible, the name of the person to contact for additional information. If there is an individual or organization available that provides free legal representation, the notice shall also advise the household of the availability of the services. The State agency may also include in the notice a reminder of the household's obligation to report changes in circumstances and of the need to reapply for continued participation at the end of the certification period. Other information which would be useful to the household may also be included.
- B. In cases where a household's application is approved on an expedited basis without verification, as provided in 273.2(i), the notice shall explain that the household must provide the verification which was waived. If the State agency has elected to assign a longer certification period to some households certified on an expedited basis, the notice shall also explain the special conditions of the longer certification period, as specified in 273.2(i), and the consequences of failure to provide the postponed verification.
- C. For households provided a notice of expiration at the time of certification, as required in 273.14(b), the notice of eligibility may be combined with the notice of expiration or separate notices may be sent.

ii. Notice of Denial

If the application is denied, the State agency shall provide the household with written notice explaining the basis for the denial, the household's right to request a fair hearing, the telephone number of the Food Stamp Office, and, if possible, the name of the person to contact for additional information. If there is an individual or organization available that provides free legal representation, the notice shall also advise the household of the

Determining Household Eligibility and Benefit Levels

availability of the service. A household which is potentially categorically eligible but whose Food Stamp application is denied shall be asked to inform the State agency if it is approved to receive PA and/or SSI benefits or benefits from a State or local GA program. In cases where the State agency has elected to use a notice of denial when a delay was caused by the household's failure to take action to complete the application process, as provided in 273.2(h)(2), the notice of denial shall also explain:

VERMONT: Vermont GA is not considered categorical.

- A. the action that the household must take to reactivate the application;
- B. that the case will be reopened without a new application if action is taken within 30 days of the date the notice of denial was mailed; and
- C. that the household must submit a new application if, at the end of the 30 day period, the household has not taken the needed action and wishes to participate in the program.

If the State agency chooses the option specified in 273.2(h)(2) of reopening the application in cases where verification is lacking only if the household provides verification within 30 days of the date of the initial request for verification, the State agency shall include on the notice of denial the date by which the household must provide the missing verification.

iii Notice of Pending Status

If the application is to be held pending because some action by the State is necessary to complete the application process, as specified in 273.2(h)(2), or the State agency has elected to pend all cases regardless of the reason for delay, the State agency shall provide the household with a written notice which informs the household that its application has not been completed and is being processed. If some action by the household is also needed to complete the application process, the notice shall also explain what action the household must take and that its application will be denied if the household fails to take the required action within 60 days of the date the application was filed.

VERMONT: Cases in which failure to complete the application process within 30 calendar days of DSW's receipt of an application is the fault of the household will not be held open. These cases will be denied at the end of the 30 calendar day period.

2. Applications For Recertification

The State agency shall provide households that have filed an application by the 15th of the last month of their certification period with either a notice of eligibility or a notice of denial by the end of the current certification period if the household has complied with all recertification requirements. The State agency shall provide households that have received a notice of expiration at the time of certification, and have timely reapplied, with either a notice of eligibility or a notice of denial not later than 30 days after the date of the household's initial opportunity to obtain its last allotment.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.11a Date of this Memo 02/03/1982 Page 1 of 2

This Memo: is New Replaces one dated 07/06/1981

QUESTION: What is the difference between annualizing and averaging when calculating self-employment income?

ANSWER: When annualizing divide twelve months into the available income. When averaging divide the available income by the number of months the income is intended to cover.

QUESTION: When is it appropriate to annualize self-employment income, and when should it be averaged?

ANSWER: When the self-employment income is intended to support the household for the entire year it should be annualized, otherwise average it. Self-employment averaging is different than averaging fluctuating wages. According to 273.10c 3; two month's fluctuating wages are to be averaged and projected over the certification period.

QUESTION: Are there exceptions to the rule for averaging or annualizing income?

ANSWER: Yes. According to 273.11a 1 ii when a household experiences a substantial change in business, such that the averaged figure no longer reflects the household circumstances, the income would be based on the current situation and on anticipated earnings. The length of the certification period should coincide with the anticipated change in circumstances.

For instance, if a client business is normally slow in January and February each year's income would be annualized. On the other hand, if a client's self-employment income stops or greatly decreases because the business is failing, certification would be based on income for the month of application and on anticipated income.

QUESTION: How does one tell if the self-employed household intends the income received during part of the year to sustain the household for part of the year or for the entire year? For instance, instead of annualizing the income in the above example, couldn't the client maintain that the business income is not intended to support the household through the normally slow months of January and February? Thus income should be averaged over eight months resulting in maximum food stamp eligibility in January and February.

ANSWER: There are certain factors, in addition to the household's statement, which indicate how long a household could maintain itself on income received during part of the year. Factors to consider, include:

Other income to the household in addition to self-employment income. For instance a person who operates a concession during the summer months and waitresses during

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

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Reference 273.11a Date of this Memo 02/03/1982 Page 2 of 2

This Memo: is New Replaces one dated 07/06/1981

the winter months should have the self-employment income averaged over the summer months.

The proportion of the self-employment income to the household's annual expense. This would be determined from the previous year's business and personal expense tax records, anticipated expense for the current year, income received from other sources during the previous year, income expected to be received from other sources during the coming year, etc. If expenses outstrip income it may be an indication that averaging should be used. Annualizing would be used if income exceeds expenses, especially if the income is more than the gross income guidelines for the program.

For instance, a household operates a highly profitable business during the summer months earning \$30,000 after expenses. By January the household reports that they have exhausted their income and wishes to receive food stamps on the basis of no current or anticipate income. The correct approach would be to annualize the self-employment income.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.11a **Date of this Memo** 02/03/1982 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** 09/19/1980

QUESTION: What is the proper treatment of the business expense for a multi family dwelling where the client owns and lives in one apartment and rents the others? My client's expenses are heat, hot water, electricity, fire insurance, property tax and water/sewer tax.

ANSWER: Divide the allowable costs of producing self-employment income (273.11a 4i) which were spent on the entire building — such as fire insurance, property tax, and interest on the mortgage by the number of apartments. For instance, if the landlady lives in one of three apartments 2/3 of these expenses could be charged off as costs of doing business.

Action on Households with Special Circumstances

273.11 Action on Households With Special Circumstances (03/01/1998, 98-4)

a. Self-employment Income (03/01/1998, 98-4)

The procedures for handling income received from boarders by a household that does not own and operate a commercial boardinghouse are described in paragraph (b) of this section. For all other households receiving self employment income, including those households that own and operate a commercial boardinghouse, the State agency shall calculate the self employment income as follows:

1. Annualizing Self-employment Income

- i Self employment income which represents a household's annual income shall be annualized over a 12 month period even if the income is received within only a short period of time during that 12 months. For example, self employment income received by farmers shall be averaged over a 12 month period, if the income is intended to support the farmer on an annual basis. However, if the average annualized amount does not accurately reflect the household's actual circumstances because the household has experienced a substantial increase or decrease in business, the State agency shall calculate the self employment income on anticipated earnings. The State agency shall not calculate self employment income on the basis of prior income (e.g., income tax returns) when the household has experienced a substantial increase or decrease in business. This self employment income shall be annualized even if the household receives income from other sources in addition to self employment.
- ii Self employment income which is received on a monthly basis but which represents a household's annual support shall normally be averaged over a 12 month period. If, however, the averaged amount does not accurately reflect the household's actual monthly circumstances because the household has experienced a substantial increase or decrease in business, the State agency shall calculate the self employment income based on anticipated earnings.
- iii Self employment income which is intended to meet the household's needs for only part of the year shall be averaged over the period of time the income is intended to cover. For example, self employed vendors who work only in the summer and supplement their income from other sources during the balance of the year shall have their self employment income averaged over the summer months rather than a 12 month period.
- iv If a household's self employment enterprise has been in existence for less than a year, the income from that self employment enterprise shall be averaged over the period of time the business has been in operation, and the monthly amount projected for the coming year. However, if the business has been in operation for such a short time that there is insufficient information to make a reasonable projection, the household may be certified for less than a year until the business has been in operation long enough to base a longer projection.
- v Notwithstanding the provisions of paragraphs (i) through (iv) of this paragraph, households subject to MRRB who derive their self employment income from a farming operation and who incur irregular expenses to produce such income shall have the option to annualize the allowable costs of producing self employment income from farming when the self employment farm income is annualized.

VERMONT: Households are not required to participate in the Monthly Reporting and Retrospective Budgeting (MRRB) System.

Action on Households with Special Circumstances

2. Determining Monthly Income From Self-employment

- i For the period of time over which self employment income is determined, the State agency shall add all gross self employment income (including capital gains), exclude the cost of producing the self employment income, and divide the self employment income by the number of months over which the income will be averaged.
- ii For those households whose self employment income is not averaged but is instead calculated on an anticipated basis, the State agency shall add any capital gains the household anticipates it will receive in the next 12 months, starting with the date the application is filed, and divide this amount by 12. This amount shall be used in successive certification periods during the next 12 months, except that a new average monthly amount shall be calculated over this 12 month period if the anticipated amount of capital gains changes. The State agency shall then add the anticipated monthly amount of capital gains to the anticipated monthly self employment income, and subtract the cost of producing the self employment income. The cost of producing the self employment income shall be calculated by anticipating the monthly allowable costs of producing the self employment income.
- iii The monthly net self employment income shall be added to any other earned income received by the household. The total monthly earned income, less a 20 percent earned income deduction, shall then be added to all monthly unearned income received by the household. If the cost of producing self employment income exceeds the income derived from self employment as a farmer, such losses shall be offset against any other countable income in the household. Losses from farm self employment enterprises shall be offset in two phases. The first phase is an offsetting against non farm self employment income. The second phase is offsetting against the total of earned and unearned income. For purposes of this provision, to be considered a self employed farmer, the farmer must receive or anticipate receiving annual gross proceeds of \$1,000 or more from the farming enterprise. The standard deduction, dependent care, and shelter costs shall be computed in accordance with 273.9(d) and subtracted to determine the monthly net income of the household. Net losses from the self employment income of a farmer shall be prorated over the year in accordance with 273.11(a)(1).
- iv If a State agency determines that a household is eligible based on its monthly net income, the State may elect to offer the household an option to determine the benefit level by using either the same net income which was used to determine eligibility, or by unevenly prorating the household's total net income over the period for which the household's self employment income was averaged to more closely approximate the time when the income is actually received. If income is prorated, the net income assigned in any month cannot exceed the maximum monthly income eligibility standards for the household's size.

VERMONT: Elects not to offer households the option to unevenly prorate self-employment income.

3. Capital Gains (12/5/2013, 13-04)

The proceeds from the sale of capital goods or equipment shall be calculated in the same manner as a capital gain for Federal income tax purposes. Even if only

Action on Households with Special Circumstances

50 percent of the proceeds from the sale of capital goods or equipment are taxed for Federal Income Tax purposes; the State Agency shall count the full amount of the capital gain as income for SNAP purposes.

4. Allowable Costs of Producing Self-Employment Income (12/5/2013, 13-04)

- i. Allowable costs of producing self employment income include, but are not limited to, the identifiable costs of labor, stock, raw material, seed and fertilizer, interest paid to purchase income producing property, insurance premiums, and taxes paid on income producing property.
- ii. In determining net self employment income, the following items shall not be allowable as a cost of doing business.
 - A. Payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery, and other durable goods and;
 - B. Net losses from previous periods; and
 - C. Federal, State, and Local income taxes, money set aside for retirement purposes, and other work related personal expenses (such as transportation to and from work), as these expenses are accounted for by the 20 percent earned income deduction specified in 273.9(d)(2); and
 - D. Depreciation.

5. Assigning Certification Periods

- iii. Households that receive their annual support from self employment and have no other source of income may be certified for up to 12 months. For those households that receive other sources of income and whose self employment income is intended to cover a period of time that is less than a year, the State Agency shall assign a certification period appropriate for the household's circumstances.
- iv. For those self employed households that receive their annual income in a short period of time, the initial certification period shall be assigned to bring the household into the annual cycle. For example, the State agency may provide for recertification at the time the household normally receives all or a majority of its annual income or the State agency may prefer to have the annual cycle coincide with the filing of the household's income tax.

Action on Households with Special Circumstances

b. Households with Income from Boarders and Daycare (12/5/2013, 13-04)

1. Households with Boarders

Persons paying a reasonable amount for room and board as specified in 273.1(c) shall be excluded from the household when determining the household's eligibility and benefit level. The income of households owning and operating a commercial boarding house shall be handled as described in paragraph (a) of this section. For all other households, payments from the boarder, except foster care boarders as defined in 273.1(c) (6), shall be treated as self employment income and the household's eligibility determined as follows:

i. Income from the Boarder

The income from boarders shall include all direct payments to the household for room and meals, including contributions to the household's shelter expenses.

Action on Households with Special Circumstances

Shelter expenses paid directly by boarders to someone outside of the household shall not be counted as income to the household.

ii Cost of Doing Business (3/1/1998, 98-04)

In determining the income received from boarders, the State agency shall exclude the portion of the boarder payment that is a cost of doing business. The amount allowed as a cost of doing business shall not exceed the payment the household receives from the boarder for lodging and meals.

VERMONT: The remainder of 273.11(b)(1)(ii) has been deleted and replaced by a standards table that appears in the procedures manual in Section P 2590. This is in conjunction with a waiver granted to make the calculation of food stamp monthly income comparable to the calculation of ANFC monthly income.

iii Deductible Expenses

The net income from self employment shall be added to other earned income and a 20 percent earned income deduction shall be applied to the total. Shelter costs the household actually incurs, even if the boarder contributes to the household for part of the household's shelter expenses, shall be computed to determine if the household will receive a shelter deduction. However, the shelter costs shall not include any shelter expenses paid directly by the boarder to a third party, such as to the landlord or utility company.

2. Income from Day Care (3/1/1998, 98-04)

Households deriving income from day care may elect one of the following methods for determining the cost of meals provided to the individuals:

- i Actual documented cost of meals;
- ii A standard per day amount based on estimated per meal costs; or
- iii Current reimbursement amounts used in the Child and Adult Care Food Program.

VERMONT: Vermont is permitted by waiver to use current reimbursement amounts used in the Child and Adult Care Food Program, except where the household can demonstrate actual costs in excess of those amounts. Business expenses for providing day care meals are updated annually and listed in the procedures manual in Section P-2590.

c. Treatment of Income and Resources of Certain Nonhousehold Members (01/24/1997, 97-2F)

During the period of time that a household member cannot participate because he/she is an ineligible alien, is ineligible because of disqualification for an Intentional Program Violation, is ineligible because of noncompliance with a work requirement of 273.7, is ineligible because of disqualification for failure or refusal to obtain or provide an SSN, or is ineligible because a sanction has been imposed while he/she was participating in a household disqualified for failing to comply with workfare requirements, the eligibility and benefit level of any remaining household members shall be determined in accordance with the procedures outlined in this section.

1. Intentional Program Violation Disqualification, Workfare, or Work Requirement Sanction

Action on Households with Special Circumstances

The eligibility and benefit level of any remaining household members of a household containing individuals determined ineligible because of disqualification for intentional Program violation, noncompliance with a work requirement of 273.7, or imposition of a sanction while they were participating in a household disqualified for failure to comply with workfare requirements shall be determined as follows:

i Income, Resources, and Deductible Expenses

The income and resources of the ineligible household member(s) shall continue to count in their entirety, and the entire household's allowable earned income, standard, medical, dependent care, child support and excess shelter deductions shall continue to apply to the remaining household members.

ii Eligibility and Benefit Level

The ineligible member shall not be included when determining the household's size for the purposes of:

- A. Assigning a benefit level to the household;
- B. Comparing the household's monthly income with the income eligibility standards;
or
- C. Comparing the household's resources with the resource eligibility limits. The State agency shall ensure that no household's coupon allotment is increased as a result of the exclusion of one or more household members.

2. SSN Disqualification and Ineligible Alien (03/01/1998, 98-4)

The eligibility and benefit level of any remaining household members of a household containing individuals determined to be ineligible for being an ineligible alien, or because of disqualification for refusal to obtain or provide an SSN shall be determined as follows:

i Resources The resources of such ineligible members shall continue to count in their entirety to the remaining household members.

ii Income

A pro rata share of the income of such ineligible members shall be counted as income to the remaining members. This pro rata share is calculated by first subtracting the allowable exclusions from the ineligible member's income and dividing the income evenly among the household members, including the ineligible members. All but the ineligible member's share is counted as income for the remaining household members.

iii Deductible Expenses

The 20 percent earned income deduction shall apply to the prorated income earned by such ineligible members which is attributed to their households. That portion of the household's allowable child support payment, shelter and dependent care expenses which are either paid by or billed to the ineligible members shall be divided evenly among the households' members, including the ineligible member. All but the ineligible member's share is counted as a deductible child support payment, shelter or dependent care expense for the remaining household members.

Action on Households with Special Circumstances

iv Eligibility And Benefit Level

Such ineligible members shall not be included when determining their household's sizes for purposes of:

- A. Assigning a benefit level to the household;
- B. Comparing the household's monthly income with the income eligibility standards; or
- C. Comparing the household's resources with the resource eligibility limits.

3. Reduction or Termination fo Benefits Within The Certification Period (02/01/1995, 95-1)

Whenever an individual is determined ineligible within the household's certification period, the State agency shall determine the eligibility or ineligibility of the remaining household members based, as much as possible, on information in the case file.

i. Excluded for International Program Violation Disqualification

If a household's benefits are reduced or terminated within the certification period because one of its members was excluded because of disqualification for intentional program violation, the State agency shall notify the remaining members of their eligibility and benefit level at the same time the excluded member is notified of his or her disqualification. The household is not entitled to a notice of adverse action but may request a fair hearing to contest the reduction or termination of benefits, unless the household has already had a fair hearing on the amount of the claim as a result of consolidation of the administrative disqualification hearing with the fair hearing.

ii. SSN or Workfare Disqualification, Ineligible Alien, Work Requirement Sanction

If a household's benefits are reduced or terminated within the certification period because one or more of its members is an ineligible alien, is ineligible because a sanction has been imposed while he/she was participating in a household disqualified for failing to comply with workfare requirements, is ineligible because of noncompliance with a work requirement of 273.7, or is ineligible because he/she was disqualified for refusal to obtain or provide an SSN, the State agency shall issue a notice of adverse action in accordance with 273.13(a)(2), which informs the household of the ineligibility, the reason for the ineligibility, the eligibility and benefit level of the remaining members, and the action the household must take to end the ineligibility.

d. Treatment of Income and Resources of Other Non-household Members (04/01/1988, 87-28)

1. For all other nonhousehold members defined in 273.1(b)(1) and (b)(2) who are not specifically mentioned in paragraph (c) of this section, the income and resources of such individuals shall not be considered available to the household with whom the individual resides. Cash payments from the nonhousehold member to the household will be considered income under the normal income standards set in §273.9(b). Vendor payments, as defined in §273.9(c)(1), shall be excluded as income. If the household shares deductible expenses with the nonhousehold member, only the amount actually paid or contributed by the household shall be deducted as a household expense. If the payments or contributions cannot be differentiated, the expenses shall be prorated evenly among persons actually paying or contributing to the expense and only the household's pro rata share deducted.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.11e **Date of this Memo** 02/06/1980 **Page** 1 **of** 1

This Memo: **is New** **Replaces one dated** _____

QUESTION: Must the Food and Nutrition Service Field Office certify a drug/alcohol treatment center before the center's residents can be granted Food Stamps?

ANSWER: No, not since the FNS regulations changed in November of 1979.

DSW must verify the ADAD, Alcohol Drug Abuse Division 103 South Main Street, Waterbury VT 05676, 241-2170, has certified a center as a residential drug/alcohol treatment program. Once this is verified the applicants can be certified if eligible as per 273.11.

If the center wishes to redeem Food Stamps at a wholesaler it must be certified by FNS as well as ADAD before it's residents can be certified if eligible.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.1e1 and 273.11e1 **Effective date of this memo** 5/3/2017 **Page** 1

This memo: is new **Replaces one dated** 4/3/2012 and 4/5/2013

Exception to the Institution Rule: Drug and Alcohol Treatment and Rehabilitation Programs

Residents of the following facilities who are participating in drug and alcohol treatment programs may be eligible for 3SVT benefits even though they are living in an institution. These facilities are exempt under 273.1e1ii because they operate drug and alcohol treatment and rehabilitation programs.

- Magee House
- Maple Leaf
- Phoenix House
- Serenity House
- Rise
- Teen Challenge **
- Valley Vista

If you have a 3SVT applicant living in a drug and alcohol treatment and rehabilitation facility not listed here please send an email to AHS - DCF ESD AOPS. AOPS will determine whether that facility qualifies for the exemption.

** It is not unusual for Teen Challenge participants to move back and forth between VT, NH and MA. Before granting 3SVT be sure they are not receiving SNAP benefits in New Hampshire and Massachusetts.

Action on Households with Special Circumstances

2. When the earned income of one or more household members and the earned income of a non-household member are combined into one wage, the income of the household members shall be determined as follows:
 - i. If the household's share can be identified, the State agency shall count that portion due to the household as earned income.
 - ii. If the household's share cannot be identified, the State agency shall prorate the earned income among all those whom it was intended to cover and count that prorated portion to the household.
 3. Such non-household members shall not be included when determining the size of the household for purposes of:
 - i. Assigning a benefit level to the household;
 - ii. Comparing the household's month income with the income eligibility standards; or
 - iii. Comparing the household's resources with the resource eligibility limits.
- e. Residents of Drug/Alcohol Treatment and Rehabilitation Programs (12/05/2013, 13-04)
1. Narcotics addicts or alcoholics who regularly participate in publicly operated or private nonprofit drug or alcoholic treatment and rehabilitation programs on a resident basis may voluntarily apply for the SNAP benefit. Resident addicts and alcoholics shall have their eligibility determined as a one person household. The State agency shall certify residents of addict/alcoholic treatment centers by ensuring the same provisions that apply to all other applicant households except that certification must be accomplished through an authorized representative as described in 273.1(f)(2). Prior to certifying any residents for SNAP benefits, the State Agency shall verify that the treatment center is authorized by FNS as a retailer if the center wishes to redeem coupons through a wholesaler or, if it is not authorized by FNS as a retailer that it is under part B of title XIX of Public Health Service Act (as defined in "Drug Addiction or Alcoholic Treatment and Rehabilitation Program" in 271.2). The guidelines for issuing FNS authorizations to these treatment centers are set forth in 7 CFR 278.1(e).

Prior to certifying any residents for SNAP benefits, the State agency shall verify that the treatment center is authorized by FNS as a retailer or is funded under part B of Title XIX of the Public Health Service Act (42.U.S.C. 300x et seq.)
 2. Each treatment and rehabilitation center shall provide the State agency with a list of currently participating residents. This list shall include a statement signed by a responsible center official attesting to the validity of the list. The State agency shall require the list on either a monthly or semi-monthly basis. In addition, the State agency shall conduct periodic random onsite visits to the center to assure the accuracy of the list and that the State agency's records are consistent and up to date.

Action on Households with Special Circumstances

VERMONT NOTE: Shall require the list on a monthly basis.

3. The following provisions apply to residents of treatment centers:
 - i. When expedited processing standards as described in 273.2(i) are necessary, eligibility for the initial application shall be processed on an expedited basis, and the State agency shall complete verification and documentation requirements prior to issuance of a second coupon allotment;

VERMONT NOTE: Cash out households shall complete verification and documentation prior to issuance of a second 3SquaresVT issuance.

- ii. When normal processing standards apply, the State agency shall complete the verification and documentation requirements prior to making an eligibility determination for the initial application;
 - iii. The State agency shall process changes in household circumstances and recertification's by using the same standards that apply to all other SNAP households; and
 - iv. Resident households shall be afforded the same rights to notices of adverse action, to fair hearings, and to entitlement to lost benefits as are all other SNAP households.
4. The treatment center shall notify the State agency as provided in Section 273.12(a), of changes in the household's income or other household circumstance and of when the addict or alcoholic leaves the treatment center. The treatment center shall return a household's coupons received after the household has left the center.

VERMONT NOTE: For Cash-Out recipients, the treatment center shall return the EBT Card.

5.
 - i. When the household leaves the center, the center shall provide the resident household with its ID card and any un-transacted EBT cards. The household, not the center, shall be allowed to sign for and receive any remaining authorized benefits reflected by HIR cards. The departing household shall also receive its full allotment if issued by direct mail, and if no coupons have been spent on behalf of that individual household. These procedures are applicable any time during the month. However, if the coupons have already been issued and any portion spent on behalf of the individual, and the household leaves the treatment and rehabilitation program prior to the 16th day of the month and the coupons have already been issued and used, the household does not receive any coupons.

Action on Households with Special Circumstances

- ii. Once the household leaves, the center is no longer allowed to act as that household's authorized representative. The center, if possible, shall provide the household with a change report form to report to the State agency the household's new address and other circumstances after leaving the center, and shall advise the household to return the form to the appropriate office of the State agency within 10 days.
- iii. The treatment center shall return to the State agency any coupons not provided to departing residents at the end of each month. These returned coupons shall include those not provided to departing residents because they left on or after the 16th of the month.

VERMONT NOTE: For Cash Out recipients, the treatment center shall return the EBT Card.

- 6. The organization or institution shall be responsible for any misrepresentation or intentional program violation which it knowingly commits in the certification of center residents. As an authorized representative, the organization or institution must be knowledgeable about household circumstances and should carefully review those circumstances with residents prior to applying on their behalf. The organization or institution shall be strictly liable for all losses or misuse of food coupons held on behalf of resident households and for all over-issuances which occur while the households are residents of the treatment center.
- 7. The organization or institution authorized by FNS as a retail food store may be penalized or disqualified, as described in Section 278.6, if it is determined administratively or judicially that coupons were misappropriated or used for purchases that did not contribute to a certified household's meals. The State agency shall promptly notify FNS when it has reason to believe that an organization or institution is misusing coupons in its possession. However, the State agency shall take no action prior to FNS action against the organization or institution. The State agency shall establish a claim for over-issuances of food coupons held on behalf of resident clients as stipulated in paragraph (e)(6) of this section if any over-issuances are discovered during an investigation or hearing procedure for redemption violations. If FNS disqualifies an organization or institution as an authorized retail food store, the State agency shall suspend its authorized representative status for the same period.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.11f **Date of this Memo** 10/5/1988 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** 12/10/1980

QUESTION: We have several clients who are living in unlicensed community care facilities. However SSA allows these people the maximum amount for SSI/AABD, as if they were in a licensed facility. Can these people be eligible for SNAP benefits?

ANSWER: No. The home has to be actually licensed for the person to be eligible. Please note: Social Security Administration does not allow the maximum licensed home rate for an unlicensed community care unit facility. The home must be licensed to get the higher payment level. If you are aware of a person receiving the higher rate notify SSA and Family Services Division's licensing unit.

Action on Households with Special Circumstances

f. Residents of a Group Living Arrangement (12/05/2013, 13-04)

1. Disabled or blind residents of a group living arrangement (as defined in 271.2) may voluntarily apply for SNAP. If these residents apply through the use of the facility's authorized representative, their eligibility shall be determined as one person households. If the residents apply on their own behalf, the household size shall be in accordance with the definition in 273.1. The State agency shall certify these residents using the same provisions that apply to all other households. Prior to certifying any residents for SNAP benefits, the State agency shall verify that the group living arrangement is authorized by FNS or is certified by the appropriate agency or agencies of the State (as defined in 271.2) including that agency's (or agencies') determination that the center is a nonprofit organization.
2. Each group living arrangement shall provide the State agency with a list of currently participating residents. This list shall include a statement signed by a responsible center official attesting to the validity of the list. The State shall require the list on a periodic basis. In addition, the State agency shall conduct periodic random onsite visits to assure the accuracy of the list and that the State agency's records are consistent and up to date.
3. The same provisions applicable in 273.11(e)(3) to residents of treatment centers also apply to blind or disabled residents of a group living arrangements when the facility acts as the resident's authorized representative.
4. If the resident has made application on his/her own behalf, the household is responsible for reporting changes to the State agency as provided in 273.12(a). If the group living arrangement is acting in the capacity of an authorized representative, the group living arrangement shall notify the State agency, as provided in 273.12(a), of changes in the

Action on Households with Special Circumstances

- household's income or other household circumstances and when the individual leaves the group living arrangement. The group living arrangement shall return any household's EBT card or coupons to the State agency if they are received after the household has left the group living arrangement.
5.
 - i. When the household leaves the facility, the group living arrangement, either acting as (regardless of the method of application), shall provide residents with their ID cards (if applicable) and any un-transacted EBT cards. The household, not the group living arrangement, shall be allowed to sign for and receive any remaining authorized benefits reflected on HIR cards. Also, the departing household shall receive its full allotment if issued by direct mail and if no coupons have been spent on behalf of that individual household. These procedures are applicable any time during the month. However, if the coupons have already been issued and any portion spent on behalf of the individual, and the household leaves the group living arrangement prior to the 16th day of the month, the facility shall provide the household with its ID card (if applicable) and one half of its monthly coupon allotment. If the household leaves on or after the 16th day of the month and the coupons have already been issued and used, the household does not receive any coupons. If a group of residents have been certified as one household and have returned the coupons to the facility to use, the departing residents shall be given a pro rata share of one half of the household's monthly coupon allotment if leaving prior to the 16th day of the month.
 - ii Once the resident leaves, the group living arrangement no longer acts as his/her authorized representative. The group living arrangement, if possible, shall provide the household with a change report form to report to the State agency the individual's new address and other circumstances after leaving the group living arrangement and shall advise the household to return the form to the appropriate office of the State agency within 10 days.
 - iii The group living arrangement shall return to the State agency any coupons not provided to departing residents at the end of each month. These returned coupons shall include those not provided to departing residents because they left on or after the 16th of the month or they left prior to the 16th and the facility was unable to provide them with the coupons.
 6. The same provisions applicable to drug and alcoholic treatment center in 273.11(e)(6) and (7) also apply to group living arrangements when acting as an authorized representative. These provisions, however, are not applicable if a resident has applied on his/her own behalf. The resident applying on his/her own behalf shall be responsible for over issuances as would any other household as discussed in 273.18.
 7. The group living arrangement may purchase and prepare food to be consumed by eligible residents on a group basis if residents normally obtain their meals at a central location as part of the group living arrangement services or if meals are prepared at a central location for delivery to the individual residents. If residents purchase and/or prepare food for home consumption, as opposed to communal dining, the group living arrangement shall ensure that each resident's SNAP benefits are used for meals intended for that resident. If the resident retains use of his/her own coupon allotment, he/she may either use the coupons to purchase meals prepared for them by the facility or to purchase food to prepare meals for their own consumption.

Action on Households with Special Circumstances

g. Shelters For Battered Woman and Children (12/05/2013, 13-04)

1. Prior to certifying its residents under this paragraph, the State agency shall determine that the shelter for battered women and children meets the definition in 271.2 and document the basis of this determination. Shelters having FNS authorization to redeem at wholesalers shall be considered as meeting the definition and the State agency is not required to make any further determination. The State agency may choose to require local project area offices to maintain a list of shelters meeting the definition to facilitate prompt certification of eligible residents following the special procedures outlined below.
2. Many shelter residents have recently left a household containing the person who has abused them. Their former household may be certified for participation in the program, and its certification may be based on a household size that includes the women and children who have just left. Shelter residents who are included in such certified households may nevertheless apply for and (if otherwise eligible) participate in the program as separate households if such certified households which includes them is the household containing the person who subjected them to abuse. Shelter residents who are included in such certified households may receive an additional allotment as a separate household only once a month.
3. Shelter residents who apply as separate households shall be certified solely on the basis of their income and resources and the expenses for which they are responsible. They shall be certified without regard to the income, resources, and expenses of their former household. Jointly held resources shall be considered inaccessible in accordance with 273.8. Room payments to the shelter shall be considered as shelter expenses.
4. Any shelter residents eligible for expedited service shall be handled in accordance with 273.2(i).
5. State agencies shall take prompt action to ensure that the former household's eligibility or allotment reflects the change in the household's composition. Such action shall include either shortening the certification period by issuing a notice of expiration in accordance with 273.14(b) to the former household of shelter residents or acting on the reported change in accordance with 273.12 by issuing a notice of adverse action in accordance with 273.13.

h. Homeless SNAP Households (12/05/2013, 13-04)

Homeless SNAP households shall be permitted to use their SNAP benefits to purchase prepared meals from homeless meal providers authorized by FNS under 278.1(h).

i. Pre-release Applicants

A household which consists of a resident or residents of a public institution(s) which applies for SSI under SSA's Pre-release Program for the Institutionalized shall be allowed to apply for SNAP benefits jointly with their application for SSI prior to their release from the institution. Such households shall be certified in accordance with the provisions of 273.1(e), 273.2(c), (g), (i), (j), and (k) and 273.10(a), as appropriate.

Action on Households with Special Circumstances

j. Households Containing Sponsored Alien Members

1. Definitions

“Sponsored alien” means those aliens lawfully admitted for permanent residence into the United States as described in 273.4(a) (2). “Sponsor” means a person who executed an affidavit(s) of support or similar agreement on behalf of an alien as a condition of the alien’s entry or admission into the United States as a permanent resident. “Date of entry” or “Date of admission” means the date established by the Immigration and Naturalization Service as the date the sponsored alien was admitted for permanent residence.

2. Deeming of Sponsor’s Income and Resources as That of the Sponsored Alien for Pre-Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) Sponsor Agreements

VERMONT NOTE: PRWORA instructs the Attorney General of the United States to revise the affidavit of support that a sponsor signs on behalf of an alien to incorporate the changes mandated under PRWORA. Use of this revised form should begin sometime in the months following enactment of the PRWORA. Sponsor’s income and resources should be considered as specified in this section for those sponsors who signed an affidavit prior to the form’s revision. For those sponsors who signed a revised form, their income and resources should be considered as specified in Section 3, below.

Action on Households with Special Circumstances

Portions of the gross income and the resources of a sponsor and the sponsor's spouse (if living with the sponsor) shall be deemed to be the unearned income and resources of a sponsored alien for three years following the alien's admission for permanent residence to the United States. The spouse's income and resources will be counted even if the sponsor and spouse were married after the signing of the agreement.

- i. The monthly income of the sponsor and sponsor's spouse (if living with the sponsor) deemed to be that of the alien shall be the total monthly earned and unearned income as defined in 273.9(b) (including the income exclusions provided for in 273.9(c)) of the sponsor and the sponsor's spouse at the time the household containing the sponsored alien member applies or is recertified for program participation, reduced by:
 - A. A 20 percent earned income amount for that portion of income determined as earned income of the sponsor and the sponsor's spouse;
 - B. An amount equal to the SNAP program's monthly gross income eligibility limit for a household equal in size to the sponsor, the sponsor's spouse, and any other person who is claimed or could be claimed by the sponsor or sponsor's spouse as a dependent for Federal Income Tax purposes.
- ii. If the alien has already reported gross income information on his/her sponsor due to AFDC's sponsored alien rules, that income amount may be used for SNAP program deeming purposes. However, allowable reductions to be applied to the total gross income of the sponsor and the sponsor's spouse prior to attributing an income amount to the alien, shall be limited to the 20 percent earned income amount and the SNAP gross monthly income amount provided for in paragraphs (j)(2)(i)(A) and (j)(2)(i)(B) of this section.
- iii. Actual money paid to the alien by the sponsor or the sponsor's spouse will not be considered as income to the alien unless the amount paid exceeds the amount attributed to the alien under paragraph (j)(2)(i) of this section. Only the portion of the amount paid that actually exceeds the amount deemed would be considered income to the alien in addition to the deemed income amount.
- iv. Resources of the sponsor and sponsor's spouse to be deemed to be that of the alien shall be the total amount of their resources as determined in accordance with 273.8, reduced by \$2,000.
- v. The amount of income and resources deemed to be that of the sponsored alien in accordance with paragraphs (j) (2) (i) and (iv) of this section, shall be considered in determining the eligibility and benefit level of the household of which the alien is a member.
- vi. If a sponsored alien can demonstrate to the State agency's satisfaction that his/her sponsor, sponsors other aliens, then the income and resources deemed under the provisions of paragraphs (j)(2)(i) and (iv) of this section shall be divided by the number of such aliens that apply for or are participating in the program.

Action on Households with Special Circumstances

- vii. If the alien reports that he/she has changed sponsors during the certification period, then deemed income and resources shall be recalculated based on the required information about the new sponsor and sponsor's spouse as outlined in paragraphs (j) (2) (i) through (j) (2) (iv) of this section and the reported change would be handled in accordance with the timeframes and procedures outlined in 273.12 or 273.21, as appropriate.

In the event that an alien loses his/her sponsor during the three year limit on the sponsored alien provisions of this section and does not obtain another, the deemed income and resources of the previous sponsor shall continue to be attributed to the alien until such time as the alien obtains another sponsor or until the three year period for applying the sponsored alien provisions expires, whichever occurs first. However, should the alien's sponsor become deceased, the deemed income and resources of the sponsor shall no longer be attributed to the alien.

3. Deeming of Sponsor's Income and Resources as That of the Sponsored Alien for Post-Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) Sponsor Agreements

The gross income and the resources of a sponsor and the sponsor's spouse (if living with the sponsor) shall be deemed to be the unearned income and resources of a sponsored alien until the sponsored alien becomes a United States Citizen or meets the requirement at 273.4a (4). The spouse's income and resources will be counted even if the sponsor and spouse were married after the signing of the agreement.

- i. The monthly gross income of the sponsor and sponsor's spouse (if living with the sponsor) deemed to be that of the alien shall be the total monthly gross earned and unearned income as defined in 273.9(b) of the sponsor and the sponsor's spouse at the time the household containing the sponsored alien member applies or is recertified for program participation.
- ii. Resources of the sponsor and sponsor's spouse to be deemed to be that of the alien shall be the total amount of their resources as determined in accordance with 273.8.
- iii. The amount of income and resources deemed to be that of the sponsored alien in accordance with paragraphs (j) (3) (i) and (ii) of this section shall be considered in determining the eligibility and benefit level of the household of which the alien is a member.
- iv. The deemed income and resources of a sponsor to a sponsored alien must be reviewed each time the alien reappplies. The requirement to deem all of a sponsor's income and resources to a sponsored alien must be met at any eligibility determination or redetermination that occurs after August 22, 1996.

Action on Households with Special Circumstances

4. Exempt Aliens

The provisions of this paragraph do not apply to:

- i. An alien who is participating in SNAP as a member of his or her sponsor's household or an alien whose sponsor is participating in SNAP separate and apart from the alien;
- ii. An alien who is sponsored by an organization or group as opposed to an individual;
- iii. An alien who is not required to have a sponsor under the Immigration and Nationality Act, such as, but not limited to, a refugee, a parolee, one granted asylum, and a Cuban or Haitian entrant.
- iv. An alien (including an alien child) or an alien's child, for a 12-month period, if all the conditions, except b and c, of #7, #8, or #9 under the definition of a qualified alien are met. The exemption may continue beyond the 12-month period if the alien demonstrates that the battery or cruelty was recognized in an order of a judge or administrative law judge or a determination by INS and the battery or cruelty has substantial connection to the need for benefits.

5. Sponsored Alien's Responsibility

For a period of three years from the alien's date of entry or date of admission as a lawful permanent resident, the alien shall be responsible for:

- i. Obtaining the cooperation of his/her sponsor;
- ii. For providing the State agency at the time of application and at the time of recertification with the information and/or documentation necessary to calculate deemed income and resources in accordance with paragraphs (j)(2)(i) through (j)(2)(iv) of this section; and
- iii. For providing the names (or other identifying factors) of other aliens for whom the alien's sponsor has signed an agreement to support, to enable the State agency to determine how many of such other aliens are SNAP applicants or participants and initiate the proration provisions in paragraph (j)(2)(vi) of this section.

If such information about other aliens for whom the sponsor is responsible is not provided to the State agency, the deemed income and resource amounts calculated shall be attributed to the applicant alien in their entirety until such time as the information is provided. The alien shall also be responsible for:

- iv. Reporting the required information about the sponsor and sponsor's spouse should the alien obtain a different sponsor during the certification period; and

Action on Households with Special Circumstances

- v. For reporting a change in income should the sponsor or the sponsor's spouse change or loses employment or become deceased during the certification period. Such changes shall be handled in accordance with the timeliness standards and procedures described in 273.12 and 273.21 as appropriate.

With respect to sponsors identified at 273.11(j)(3), until an alien obtains United States citizenship or earns 40 qualifying quarters of work (excluding any quarters beginning January 1, 1997, for which the alien received benefits under a federal means-tested program), the alien shall be responsible for providing the information required under 273.11(j)(5)(i), (ii), and (v).

6. State Agency Responsibilities

- i. The State agency shall obtain the following information from the alien at the time of the household's initial application and at the time the household applies for recertification.
 - A. The income and resources of the alien's sponsor and the sponsor's spouse (if living with the sponsor).
 - B. The names or other identifying factors (such as an alien registration number) of other aliens for whom the sponsor has signed an affidavit of support or similar agreement to enable the State agency to fulfill the requirements of paragraph (j)(2)(vi) of this section.
 - C. The provision of the Immigration and Nationality Act under which the alien was admitted.
 - D. The date of the alien's entry or admission as a lawful permanent resident as established by INS.
 - E. The alien's date of birth, place of birth, and alien registration number.
 - F. The number of dependents who are claimed or could be claimed as dependents by the sponsor or the sponsor's spouse for Federal income tax purposes.
 - G. The name, address, and phone number of the alien's sponsor.
- ii The State agency shall verify income information obtained in accordance with paragraphs (j)(4) and (j)(5)(i) of this section. The State agency shall verify all other information obtained in accordance with paragraphs (j)(4) and (j)(5)(i) of this section if questionable and which affects household eligibility and benefit level in accordance with procedures established in 273.2(f)(2). State agencies shall assist aliens in obtaining verification in accordance with the provisions of 273.2(f)(5).

Action on Households with Special Circumstances

7. Awaiting Verification

While the State agency is awaiting receipt and/or verification from the alien of information necessary to carry out the provisions of paragraph (j)(2) of this section, the sponsored alien shall be ineligible until such time as all necessary facts are obtained.

The eligibility of any remaining household members shall be determined. The income and resources of the ineligible alien (excluding the deemed income and resources of the alien's sponsor and sponsor's spouse) shall be considered available in determining the eligibility and benefit level of the remaining household members in accordance with paragraph (c) of this section. If the sponsored alien refuses to cooperate in providing and/or verifying needed information, other adult members of the alien's household shall be responsible for providing and/or verifying information required in accordance with the provision of 273.2(d). If the information and/or verification is subsequently received, the State agency shall act on the information as a reported change in household membership in accordance with the timeliness standards in 273.12 or 273.21 as appropriate. If the same sponsor is responsible for the entire household, the entire household is ineligible until such time as needed sponsor information is provided and/or verified. State agencies shall assist aliens in obtaining verification in accordance with the provisions of 273.2(f)(5).

8. Memorandum of Agreement

The Secretary shall enter into an agreement with the Secretary of State and the Attorney General whereby they shall inform any sponsor of an alien and the alien, at the time the sponsor executes an affidavit of support or similar agreement on behalf of an alien, of the requirements of Section 1308 of Public Law 97 98. Under the agreement the Bureau of Consular Affairs of the State Department and local INS offices shall provide information to State agencies that is needed to carry out the provisions of this paragraph. This agreement shall set forth the specific information that must be released by all parties to facilitate identification of the alien and sponsor and enable state agencies to perform required verification of information supplied by the alien which is essential for eligibility determinations, as specified in paragraph (j)(5) of this section.

9. Overissuance Due to Incorrect Sponsor Information

- i. Any sponsor of an alien shall be jointly and severally liable for repayment of any overissuance of coupons as a result of incorrect information provided by the sponsor. However, if the alien's sponsor had good cause or was without fault for supplying the incorrect information, the alien's household shall be solely liable for repayment of the Over-issuance. The State agency shall establish procedures for determining good cause under this provision, and shall include such procedures in its State Plan of Operation.
- ii. Where the sponsor did not have good cause, the State agency shall decide whether to establish a claim for the over-issuance against the sponsor or the alien's household or both. The State agency may choose to establish a claim against the party it deems most likely to repay first. If a claim is established against the alien's sponsor first, the State agency shall ensure that a claim is established against the alien's sponsor first, the State agency shall ensure that a claim is established against the alien's household whenever the sponsor fails to respond to the State agency's demand letter within 30 days of receipt. The State agency shall return to the alien's sponsor and/or the alien's household any amounts repaid in excess of the total amount of the claim.

Action on Households with Special Circumstances

iii. Collecting Claims Against Sponsors

- A. State agencies shall initiate collection action by sending the alien's sponsor a written demand letter which informs the sponsor of the amount owed, the reason for the claim, and how the sponsor may pay the claim. The sponsor shall also be informed that the sponsor will not be held responsible for repayment of the claim if the sponsor can demonstrate that he/she had good cause or was without fault for the incorrect information having been supplied to the State agency. In addition, the State agency shall follow up the written demand letter with personal contact, if possible. The sponsor is entitled to a fair hearing either to contest a determination that the sponsor was at fault where it was determined that incorrect information has been provided or to contest the amount of the claim.
- B. The State agency may pursue other collection actions, as appropriate, to obtain payment of a claim against any sponsor which fails to respond to a written demand letter. The State agency may terminate collection action against a sponsor at any time if it has documentation that the sponsor cannot be located or when the cost of further collection is likely to exceed the amount that can be recovered.
- C. If the alien's sponsor responds to the written demand letter and is financially able to pay the claim at one time, the State agency shall collect a lump sum cash payment. The State agency may negotiate a payment schedule with the sponsor for repayment of the claim, as long as payments are provided in regular installments. Payments shall be submitted to FNS in accordance with the procedures specified in 273.18(h). For submissions to FNS, any fund collected from the sponsor shall be reported and the State agency's retention shall be based on whether the corresponding claim against the alien's household is being treated as an inadvertent household error claim or intentional misrepresentation or fraud claim.

iv. Collecting Claims Against Alien Households

Prior to initiating collection action against the household of a sponsored alien for repayment of an over-issuance caused by incorrect information concerning the alien's sponsor or sponsor's spouse, the State agency shall determine whether such incorrect information was supplied due to inadvertent household error or act of intentional program violation on the part of the alien. If sufficient documentary evidence exists to substantiate that the incorrect information was provided in an act of intentional program violation on the part of the alien, the State agency shall pursue the case in accordance with 273.16 for intentional program violation disqualifications. The claim against the alien's household shall be handled as an inadvertent household error claim prior to the determination of intentional program violation by an administrative disqualification hearing official or a court of appropriate jurisdiction. If the State agency determines that the incorrect information was supplied due to misunderstanding or unintended error on the part of the sponsored alien, the claim shall be handled as an inadvertent household error claim in accordance with 273.18.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Facing page 273.11 k **Effective date of this memo** 4/5/2013 **Page** _____

This memo: is new Replaces one dated _____

CLARIFICATION

The Department shall increase 3SquaresVT benefits when a household's Supplemental Security Income (SSI) benefits received under the Social Security Administration have been decreased (reduced, suspended or terminated). This is true even when the SSI benefits have been decreased due to a household's failure to comply with SSI program requirements. The Department shall budget the actual payment amount received by the SSI recipient to determine eligibility for 3SquaresVT.

Action on Households with Special Circumstances

These actions shall be taken regardless of the current eligibility of the sponsored alien or the alien's household.

k. Failure to Comply with Another Assistance Program's Requirements (12/5/2013, 13-04)

A State agency shall not increase SNAP benefits when a household's benefits received under another means-tested Federal, State, or Local welfare or public assistance program, which is governed by welfare or public assistance laws or regulations and which distributes public funds, have been decreased (reduced, suspended or terminated) due to any failure to comply with a requirement of the program that imposed the benefit decrease. This provision does not apply in the case of individuals or households subject to a SNAP work sanction imposed pursuant to 7 CFR 273.7(g)(2). State agency procedures shall adhere to the following minimum conditions:

1. This provision must be applied to all applicable cases. If a State agency is not successful in obtaining the necessary cooperation from another Federal, State or Local means-tested welfare or public assistance program to enable it to comply with the requirements of this provision, the State agency shall not be held responsible for noncompliance as long as the State agency has made a good faith effort to obtain the information.
2. A State agency shall not suspend or terminate a household's current SNAP allotment account when the household's benefits under another applicable assistance program have been decreased due to an intentional failure to comply with a requirement of that program.
3. A State agency must adjust SNAP benefits when eligible members are added to the SNAP household regardless of whether or not the household is prohibited from receiving benefits for the additional member under another Federal, State or Local welfare or public assistance means-tested program.
4. Changes in household circumstances which are not related to a penalty imposed by another Federal, State, or Local welfare or public assistance means-tested program shall not be affected by this provision.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.12a1 Date of this memo January 11, 2016 Pages 1

This memo: is new Replaces one dated 4/5/13

UPDATE: Simplified Reporting and Certification Periods

Group	Certification period	Reporting system. What household must report	When household must report changes
<p>Category #1</p> <p>Households where everyone is elderly or disabled, with no earnings, or on a fixed, unearned income.</p>	<p>24-month certification and 12-month report.</p>	<p>Simplified Reporting When income equals or exceeds 130%FPL. Households with income already above 130% are not required to report changes until next certification. Anytime a household reports a change in income, they are required to report all changes in their circumstances.</p>	<p>No later than the 10th day of the month after the month of the change.</p>
<p>Category #2</p> <p>ALL other households that do not fall into category #1.</p>	<p>12-month certification and 6-month report.</p>	<p>Simplified Reporting When income equals or exceeds 130%FPL. Households with income above 130% are not required to report changes until next certification. Anytime a household reports a change in income, they are required to report all changes in their circumstances.</p>	<p>No later than the 10th day of the month after the month of the change.</p>

PHD
 1/11/16

Reporting Changes

273.12 Reporting Changes (08/01/2000, 00-11)

a. Household Responsibility To Report

1. Certified household are required to report the following changes in circumstances:
 - i Changes in the sources of earned or unearned income.
 - ii Changes in the hourly earnings or salary rate, increases to 40 or more regularly scheduled hours of work per week, or decreases to fewer than 40 regularly scheduled hours of work per week.
 - iii Changes in the amount of gross monthly unearned income of more than \$25, excluding changes in public assistance. Gross monthly income for this purpose is the combined unearned income of all household members.
 - iv All changes in household composition, such as the addition or loss of a household member.
 - v Changes in residence and the resulting change in shelter costs.
 - vi The acquisition of a licensed vehicle not fully excludable under 273.8(e).
 - vii When cash on hand, stocks, bonds, and money in a bank account or savings institution reach or exceed a total of \$2,000.
 - viii Changes in the legally obligated child support paid by a household member for which the household receives an income deduction in accordance with 273.9 (d)(7).
2. Certified households shall report changes within 10 days of the date the change becomes known to the household.
3. An applying household shall report all changes related to its food stamp eligibility and benefits at the certification interview. If a reportable change identified in paragraph (a)(1) of this section occurs between the interview and the date of the notice of eligibility, the household shall report the change within 10 days of the date of the notice of eligibility.
4. The reporting requirements provided in this section constitute the only food stamp reporting requirements.

b. Report Forms

1. The State agency shall provide the household with a form for reporting the changes required in paragraph (a)(1) of this section to be reported within 10 days and shall pay the postage for return of the form. The change report form shall, at a minimum, include the following:
 - i A space for the household to report whether the change shall continue beyond the report month;
 - ii The civil and criminal penalties for violations of the Act in understandable terms and in prominent and boldface lettering; and
 - iii A reminder to the household of its right to claim actual utility costs if its costs exceed the standard.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.12c **Date of this Memo** 07/23/1990 **Page** 1 of 1

This Memo: **is New** **Replaces one dated** 10/24/1984

QUESTION: Policy states that an increase in benefits due to the addition of a new household member shall take effect not later than the month following the month the change is reported. Does this mean, that, like ANFC, the increase may take lace for the month the change is reported?

ANSWER: Yes. The phrase “not later than” does not preclude making the change effective for the month the change is reported. For program simplicity and comparability, enter the new household member on the ACCESS MEMB panel and let Food Stamps be issued for the month the change is reported.

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- iv The number of the Food Stamp office and a toll free number or a number where collect calls will be accepted for households outside the local calling area; and
 - v A statement describing the changes in household circumstances contained in 273.12(a)(1) that must be reported and a statement which clearly informs the household that it is required to report these changes.
2. A quarterly report form for reporting changes in the child support obligation and payments shall be written in clear, simple language and meet the bilingual requirements described in 272.4(b) of this chapter. The report shall meet the requirements of 273.21(b)(2)(iii) through (h)(2)(vii).
 3. Changes reported over the telephone or in person by the household shall be acted on in the same manner as those reported on the change report form.
 4. A change report form shall be provided to newly certified households at the time of certification, at recertification if the household needs a new form; and a new form shall be sent to the household whenever a change report form is returned by the household. A change report may be provided to households more often at the State agency's option.

c. State Agency Action on Changes

The State agency shall take prompt action on all changes to determine if the change affects the household's eligibility or allotment. However, during the certification period, the State agency shall not act on changes in the medical expenses of households eligible for the medical expense deduction which it learns of from a source other than the household and which, in order to take action, require the State agency to contact the household for verification. The State agency shall only act on those changes in medical expenses that it learns about from a source other than the household if those changes are verified upon receipt and do not necessitate contact with the household. Even if there is no change in the allotment, the State agency shall document the reported change in the case file, provide another change report form to the household, and notify the household of the receipt of the change report. If the reported change affects the household's eligibility or level of benefits, the adjustment shall also be reported to the household. The State agency shall also advise the household of additional verification requirements, if any, and state that failure to provide verification shall result in increased benefits reverting to the original allotment. The State agency shall document the date a change is reported, which shall be the date the State agency receives a report form or is advised of the change over the telephone or by a personal visit. Restoration of lost benefits shall be provided to any household if the State agency fails to take action on a change which increases benefits within the time limits specified in paragraph (c)(1) of this section.

1. Increase in Benefits

- i For changes which result in an increase in a household's benefits, other than changes described in paragraph (c)(1)(ii) of this section, the State agency shall make the change effective no later than the first allotment issued 10 days after the date the change was reported to the State agency. For example, a \$30 decrease in income reported on the 15th of May would increase the household's June allotment. If the same decrease were reported on May 28, and the household's normal issuance cycle was on June 1, the household's allotment would have to be increased by July.
- ii For changes which result in an increase in a household's benefits due to the addition of a new household member who is not a member of another certified household, or due to a decrease of \$50 or more in the household's gross monthly income, the State

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agency shall make the change effective not later than the first allotment issued 10 days after the date the change was reported. However, in no event shall these changes take effect any later than the month following the month in which the change is reported. Therefore, if the change is reported after the 20th of a month and it is too late for the State agency to adjust the following month's allotment, the State agency shall issue supplementary food stamp benefits or otherwise provide an opportunity for the household to obtain the increase in benefits by the 10th day of the following month, or the household's normal issuance cycle in that month, whichever is later. For example, a household reporting a \$100 decrease in income at any time during May would have its June allotment increased. If the household reported the change after the 20th of May and it was too late for the State agency to adjust the amount of coupons normally issued on June 1, the State agency would issue supplementary food stamp benefits for the amount of the increase by June 10.

VERMONT: Households receiving food stamp cash-out benefits will receive a supplemental benefit through a direct deposit into their bank account or, if no account is available, via an electronic process known as electronic benefits transfer (EBT).

- iii The State agency may elect to verify changes which result in an increase in a household's benefits in accordance with the verification requirements of 273.2(f)(8)(ii), prior to taking action on these changes. If the State agency elects this option, it must allow the household 10 days from the date the change is reported to provide verification required by 273.2(f)(8)(ii). If the household provides verification within this period, the State shall take action on the changes within the timeframes specified in paragraphs (i) and (ii) of this paragraph. The timeframes shall run from the date the change was reported, not from the date of verification. If, however, the household fails to provide the required verification within 10 days after the change is reported but does provide the verification at a later date, then the timeframes specified in paragraphs (i) and (ii) for taking action on changes shall run from the date verification is provided rather than from the date the change is reported. If the State agency does not elect this option, verification required by 273.2(f)(8)(ii) must be obtained prior to the issuance of the second normal monthly allotment after the change is reported. If in these circumstances the household does not provide verification, the household's benefits will revert to the original benefit level. Whenever a State agency increases a household's benefits to reflect a reported change and subsequent verification shows that the household was actually eligible for fewer benefits, the State agency shall establish a claim for the overissuance in accordance with 273.18. In cases where the State agency has determined that a household has refused to cooperate as defined in 273.2(d), the State agency shall terminate the household's eligibility following the notice of adverse action.

VERMONT: Verify changes that result in an increase in accordance with verification requirements in 273.2(f)(8)(ii).

2. Decreases in Benefits

- i If the household's benefit level decreases or the household becomes ineligible as a result of the change, the State agency shall issue a notice of adverse action within 10 days of the date the change was reported unless one of the exemptions to the notice of adverse action in 273.13(a)(3) or (b) applies. When a notice of adverse action is used, the decrease in the benefit level shall be made effective not later than the allotment for the month following the month in which the notice of adverse action period has expired, provided a fair hearing and continuation of benefits have not been requested. When

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a notice of adverse action is not used due to one of the exemptions in 273.13(a)(3) or (b), the decrease shall be made effective no later than the month following the change. Verification which is required by 273.2(f) must be obtained prior to recertification.

- ii The State agency may suspend a household's certification prospectively for one month if the household becomes temporarily ineligible because of a periodic increase in recurring income or other change not expected to continue in the subsequent month. If the suspended household again becomes eligible, the State agency shall issue benefits to the household on the household's normal issuance date. If the suspended household does not become eligible after one month, the State agency shall terminate the household's certification. Households are responsible for reporting changes as required by paragraph (a) of this section during the period of suspension.

d. Failure To Report

If the State agency discovers that the household failed to report a change as required by paragraph (a) of this section and as a result, received benefits to which it was not entitled, the State agency shall file a claim against the household in accordance with §273.18. If the discovery is made within the certification period, the household is entitled to a notice of adverse action if the household's benefits are reduced. A household shall not be held liable for a claim because of a change in household circumstances which it is not required to report in accordance with §273.12(a)(1). Individuals shall not be disqualified for failing to report a change, unless the individual is disqualified in accordance with the disqualification procedures specified in §273.16.

e. Mass Changes

Certain changes are initiated by the State or Federal Government which may affect the entire caseload or significant portions of the caseload. These changes include, but are not limited to, adjustments to the income eligibility standards, the shelter and dependent care deductions, the maximum Food Stamp allotment and the standard deduction; annual and seasonal adjustments to State utility standards; periodic cost of living adjustments to Retirement Survivors, and Disability Insurance (RSDI), Supplemental Security Income (SSI) and other Federal benefits; periodic adjustments to ANFC or GA payments; and other changes in the eligibility and benefit criteria based on legislative or regulatory changes.

1. Federal Adjustments To Eligibility Standards, Allotments, and Deductions, and State Adjustments to Utility Standard

- i State agencies shall implement these changes for all households at a specific point in time. Adjustments to Federal standards shall be implemented prospectively regardless of the household's budgeting system. Annual and seasonal adjustments in State utility standards shall also be implemented prospectively for all households.
 - A. Adjustments to the maximum Food Stamp allotment shall be effective in accordance with 273.10e4ii.
 - B. Adjustments in the standard deduction shall be effective in accordance with 273.9d7.
 - C. Adjustments in the shelter deduction shall be effective in accordance with 273.9d8.
 - D. Adjustments in the income eligibility standards shall be effective in accordance with 273.9a3.

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- ii A notice of adverse action shall not be used for these changes. At a minimum, the State agencies shall publicize these mass changes through the news media; posters in certification offices, issuance locations, or other sites frequented by certified households; or general notices mailed to households. At its option, the State agency may send the notice described in paragraph (e)(4) of this section or some other type of written explanation of the change. A household whose certification period overlaps a seasonal variation in the State utility standard shall be advised at the time of initial certification of when the adjustment will occur and what the variation in the benefit level will be, if known.

VERMONT: The notice described in paragraph (e)(4) of this section will be sent.

2. Mass Changes In Public Assistance

- i When the state agency makes an overall adjustment to public assistance payments, corresponding adjustments in households' Food Stamp benefits shall be handled as a mass change in accordance with the procedures in paragraph (e)(4), (5) and (6) of this section. When the state agency has at least 30 days' advance knowledge of the amount of public assistance adjustment, the state agency shall make the change in benefits effective in the same month as the public assistance change. If the state agency does not have sufficient notice, the Food Stamp change shall be effective no later than the month following the month in which the public assistance change was made.

VERMONT: Section ii deleted — no mass changes in GA.

3. Mass Changes In Federal Benefits

The State agency shall establish procedures for making mass changes to reflect cost of living adjustments (COLAs) in benefits and any other mass changes under RSDI, SSI and other programs such as veteran's assistance under title 38 of the United States Code and the Black Lung Program, where information on COLA's is readily available and is applicable to all or a majority of those programs' beneficiaries. Households on retrospective budgeting but not monthly reporting shall have the change reflected in accordance with the State's system. Monthly reporting households shall report the change on the appropriate monthly report but are not required to report these types of changes outside the monthly report. The State agency shall handle such information provided on the monthly report in accordance with its normal procedures. Households not subject to monthly reporting shall not be responsible for reporting these changes. The State agency shall be responsible for automatically adjusting a household's food stamp benefit level. The change shall be reflected no later than the second allotment issued to nonmonthly reporting households issued after the month in which the change becomes effective.

4. Notice for Mass Changes

When the State agency makes a mass change in food stamp eligibility or benefits by simultaneously converting the caseload or that portion of the caseload that is affected, or by conducting individual desk reviews in place of a mass change, it shall notify all households whose benefits are reduced or terminated in accordance with the requirements of this paragraph, except for mass changes made under 273.12(e)(1); and

- i At a minimum, the State agency shall inform the household of:
 - A. The general nature of the change;

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- B. Examples of the change's effect on households' allotments;
 - C. The month in which the change will take effect;
 - D. The household's right to a fair hearing;
 - E. The household's right to continue benefits and under what circumstances benefits will be continued pending a fair hearing;
 - F. General information on whom to contact for additional information; and
 - G. The liability the household will incur for any overissued benefits if the fair hearing decision is adverse.
- ii At a minimum, the State agency shall notify the household of the mass change or the result of the desk review on the date the household is scheduled to receive the allotment which has been changed.
 - iii In addition, the State will notify the household of the mass change as much before the household's scheduled issuance date as reasonably possible, although the notice need not be given any earlier than the time required for advance notice of adverse action.
5. Fair Hearings
- The household shall be entitled to request a fair hearing when it is aggrieved by the mass change.
6. Continuation of Benefits
- A household which requests a fair hearing due to a mass change shall be entitled to continued benefits at its previous level only if the household meets three criteria:
- i The household does not specifically waive its right to a continuation of benefits;
 - ii The household requests a fair hearing in accordance with §273.13(a)(1); and
 - iii The household's fair hearing is based upon improper computation of food stamp eligibility or benefits, or upon misapplication or misinterpretation of Federal law or regulation.
- f. PA & GA Households
- Vermont not applicable to GA households, all references to GA in this section have been deleted.
- 1. Except as provided in paragraph (f)(2) of this section, PA households have the same reporting requirements as any other food stamp household. PA households which report a change in circumstances to the PA worker shall be considered to have reported the change for food stamp purposes.
 - 2.
 - i State agencies may use a joint change reporting form for households to report changes for both PA and food stamp purposes. Whenever a joint change reporting form is used, the State agency shall insure that adjustments are made in a household's eligibility status or allotment for the months determined appropriate given the household's budgeting cycle.

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- ii State agencies may combine the use of a joint PA/food stamp change reporting form with a PA reporting system that demands the regular submission of reports, such as a monthly reporting system. The State agency shall insure that the procedures in 273.21(h) are followed.
3. Households shall be notified whenever their benefits are altered as a result of changes in the PA benefits or whenever the food stamp certification period is shortened to reflect changes in the household's circumstances. If the certification period is shortened, the household's certification period shall not end any earlier than the month following the month in which the State agency determines that the certification period should be shortened, allowing adequate time for the State agency to send a notice of expiration and for the household to timely reapply. If the PA benefits are terminated but the household is still eligible for food stamp benefits, members of the household shall be advised of food stamp work registration requirements, if applicable, as their WIN registration exemption no longer applies.
4. Whenever a change results in the reduction or termination of a household's PA benefits within its food stamp certification period, and the State agency has sufficient information to determine how the change affects the household's food stamp eligibility and benefit level, the State agency shall take the following actions:
 - i If a change in household circumstances requires both a reduction or termination in the PA payment and a reduction or termination in food stamp benefits, the State agency shall issue a single notice of adverse action for both the PA and food stamp actions. If the household requests a fair hearing within the period provided by the notice of adverse action, the household's food stamp benefits shall be continued on the basis authorized immediately prior to sending the notice. If the fair hearing is requested for both programs' benefits, the hearing shall be conducted according to PA procedures and timeliness standards. However, the household must reapply for food stamp benefits if the food stamp certification period expires before the fair hearing process is completed. If the household does not appeal, the change shall be made effective in accordance with the procedures specified in paragraph (c) of this section.
 - ii If the household's food stamp benefits will be increased as a result of the reduction or termination of PA benefits, the State agency shall issue the PA notice of adverse action, but shall not take any action to increase the household's food stamp benefits until the household decides whether it will appeal the adverse action. If the household decides to appeal and its PA benefits are continued, the household's food stamp benefits shall continue at the previous basis. If the household does not appeal, the State agency shall make the change effective in accordance with the procedures specified in paragraph (c) of this section, except that the time limits for the State agency to act on changes which increase a household's benefits shall be calculated from the date the PA notice of adverse action period expires.
5. Whenever a change results in the termination of a household's PA benefits within its food stamp certification period, and the State agency does not have sufficient information to determine how the change affects the household's food stamp eligibility and benefit level (such as when an absent parent returns to a household, rendering the household categorically ineligible for public assistance, and the State agency does not have any information on the income of the new household member), the State agency shall not terminate the household's food stamp benefits but shall instead take the following actions:
 - i Where a PA notice of adverse action has been sent, the State agency shall wait until the household's notice of adverse action period expires or until the household requests a

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fair hearing, whichever occurs first. If the household requests a fair hearing and its PA benefits are continued pending the appeal, the household's food stamp benefits shall be continued at the same basis.

- ii If a PA notice of adverse action is not required, or the household decides not to request a fair hearing and continuation of its PA benefits, the State agency shall send the household a notice of expiration which informs the household that its certification period will expire at the end of the month following the month the notice of expiration is sent and that it must reapply if it wishes to continue to participate. The notice of expiration shall also explain to the household that its certification period is expiring because of changes in its circumstances which may affect its food stamp eligibility and benefit level.

Notice of Adverse Action

273.13 Notice of Adverse Action (01/01/1990, 89-56)

a. Use of Notice

Prior to any action to reduce or terminate a household's benefits within the certification period, the State agency shall, except as provided in paragraph (b) of this section, provide the household timely and adequate advance notice before the adverse action is taken.

1. The notice of adverse action shall be considered timely if the advance notice period conforms to that period of time defined by the State agency as an adequate notice period for its public assistance caseload, provided that the period includes at least 10 days from the date the notice is mailed to the date upon which the action becomes effective. Also, if the adverse notice period ends on a weekend or holiday, and a request for a fair hearing and continuation of benefits is received the day after the weekend or holiday, the State agency shall consider the request timely received.
2. The notice of adverse action shall be considered adequate if it explains in easily understandable language: The proposed action; the reason for the proposed action; the household's right to request a fair hearing; the telephone number of the Food Stamp office (toll free number or a number where collect calls will be accepted for households outside the local calling area), and, if possible, the name of the person to contact for additional information; the availability of continued benefits; and the liability of the household for any overissuances received while awaiting a fair hearing if the hearing official's decision is adverse to the household. If there is an individual or organization available that provides free legal representation, the notice shall also advise the household of the availability of the service.
3. The State agency may notify a household that its benefits will be reduced or terminated, no later than the date the household receives, or would have received, its allotment, if the following conditions are met:
 - i The household reports the information which results in the reduction or termination.
 - ii The reported information is in writing and signed by the household.
 - iii The State agency can determine the household's allotment or ineligibility based solely on the information provided by the household as required in paragraph (a)(3)(ii) of this section.
 - iv The household retains its right to a fair hearing as allowed in 273.15.
 - v The household retains its right to continued benefits if the fair hearing is requested within the time period set by the State agency in accordance with 273.13(a)(1).
 - vi The State agency continues the household's previous benefit level, if required, within five working days of the household's request for a fair hearing.

VERMONT: Vermont will continue to give 10 day notices of adverse action.

b. Exemptions From Notice

Individual notices of adverse action shall not be provided when:

1. The State initiates a mass change as described in §273.12(e).

Notice of Adverse Action

2. The State agency determines, based on reliable information, that all members of a household have died.
3. The State agency determines, based on reliable information, that the household has moved from the project area.
4. The household has been receiving an increased allotment to restore lost benefits, the restoration is complete, and the household was previously notified in writing of when the increased allotment would terminate.
5. The household's allotment varies from month to month within the certification period to take into account changes which were anticipated at the time of certification, and the household was so notified at the time of certification.

VERMONT: For instance, when a person applies for ANFC and Food Stamps in mid September he/she will receive a prorated ANFC grant for September and a full grant for October. The Food Stamp benefit will decrease for October reflecting the increased ANFC income. When the notice of certification explains the change in allotment for October a notice of adverse action for October is not needed.

6.

VERMONT: Number 6 deleted as not applicable.

7. A household member is disqualified for intentional program violation, in accordance with §273.16, or the benefits of the remaining household members are reduced or terminated to reflect the disqualification of that household member. The notice requirements for individuals or households affected by intentional program violation disqualifications are explained in §273.16.

8.

VERMONT: Number 8 is deleted as not applicable.

9. The State agency must change the household's benefits back to the original benefit level as required in §273.12(c)(1)(iii).
10. Converting a household from cash and/or Food Stamp coupon repayment to benefit reduction as a result of failure to make agreed upon repayment as discussed in 273.18.
11. The State agency is terminating the eligibility of a resident of a drug or alcoholic treatment center or a group living arrangement if the facility loses either its certification from the appropriate agency or agencies of the State (as defined in §271.2) or has its status as an authorized representative suspended due to FNS disqualifying it as a retailer. However, residents of group living arrangements applying on their own behalf are still eligible to participate.
12. The household voluntarily requests, in writing or in the presence of a caseworker, that its participation be terminated. If the household does not provide a written request, the State agency shall send the household a letter confirming the voluntary withdrawal. Written confirmation does not entail the same right as a notice of adverse action except that the household may request a fair hearing.

Notice of Adverse Action

VERMONT: Adverse action notices will continue to be sent to households that voluntarily request in writing or in the presence of a caseworker, that participation be terminated.

13. The State agency determines, based on reliable information, that the household will not be residing in the project area and, therefore, will be unable to obtain its next allotment. The State agency shall inform the household of its termination no later than its next scheduled issuance date. While the State agency may inform the household before its next issuance date, the State agency shall not delay terminating the household's participation in order to provide advance notice.
14. The State agency initiates recoupment of a claim as specified in 273.18(g)(4) against a household which has previously received a notice of adverse action with respect to such claim.

c. Optional Notice

The State agency may, at its option, send the household an adequate notice as provided in paragraph (b)(3) of this section when the household's address is unknown and mail directed to it has been returned by the post office indicating no known forwarding address.

VERMONT: Adequate notice will continue to be sent when the household's address is unknown and previously mailed items have been returned without a forwarding address.

Recertification

273.14 Recertification (03/01/1998, 98-4)

a. General

No household may participate beyond the expiration of the certification period assigned in accordance with 273.10(f) without a determination of eligibility for a new period. The State agency must establish procedures for notifying households of expiration dates, providing application forms, scheduling interviews, and recertifying eligible households prior to the expiration of certification periods.

Households must apply for recertification and comply with interview and verification requirements.

b. Recertification Process

1. Notice of Expiration

- i The State agency shall provide households certified for one month or certified in the second month of a two-month certification period a notice of expiration (NOE) at the time of certification. The State agency shall provide other households the NOE before the first day of the last month of the certification period, but not before the first day of the next-to-the-last month. Jointly processed PA households need not receive a separate food stamp notice if they are recertified for food stamps at the same time as their PA redetermination.

VERMONT: References to GA in this section has been deleted as not applicable.

- ii Each State agency shall develop a NOE. A model form (Form FCS-439) is available from FCS. The NOE must contain the following:
- A. The date the certification period expires;
 - B. The date by which a household must submit an application for recertification in order to receive uninterrupted benefits;
 - C. The consequences of failure to apply for recertification in a timely manner;
 - D. Notice of the right to receive an application form upon request and to have it accepted as long as it contains a signature and a legible name and address;
 - E. Information on alternative submission methods available to households which cannot come into the certification office or do not have an authorized representative and how to exercise these options;
 - F. The address of the office where the application must be filed;
 - G. The household's right to request a fair hearing if the recertification is denied or if the household objects to the benefit issuance;
 - H. Notice that any household consisting only of Supplemental Security Income (SSI) applicants or recipients is entitled to apply for food stamp recertification at an office of the Social Security Administration;
 - I. Notice that failure to attend an interview may result in delay or denial of benefits; and
 - J. Notice that the household is responsible for rescheduling a missed interview and for providing required verification information.

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- iii To expedite the recertification process, State agencies are encouraged to send a recertification form, an interview appointment letter, and a statement of needed verification required by 273.2(c)(5) with the NOE.

2. Application form

- i The State agency shall provide each household with an application form to obtain all information needed to determine eligibility and benefits for a new certification period. The State agency may use either its regular application as defined in 273.2(b) or a special recertification form. The recertification form can only be used by households which are applying for recertification before the end of their current certification period. Recertification forms must be approved by FCS as required by 273.2(b)(3). Recertification forms used for joint food stamps/SSI processing must be approved by SSA in accordance with 273.2(k)(1)(i)(B). The recertification form must elicit from the household sufficient information regarding household composition, income and resources that, when added to information already contained in the casefile, will ensure an accurate determination of eligibility and benefits. The information required by 273.2(b)(1)(i), (b)(1)(ii), (b)(1)(iii), (b)(1)(iv), (b)(1)(v) must be included on the recertification form. The information regarding the Income and Eligibility Verification System in 273.2(b)(2) may be provided on a separate form. A combined form for PA households may be used in accordance with 273.2(j).

VERMONT: References to monthly reporting in this section have been deleted as not applicable.

- ii The State agency may request that the household bring the application form to the interview or return the form by a specified date (not less than 15 days after receipt of the form).

3. Interview

- i As part of the recertification process, the State agency shall conduct a face-to-face interview with a member of each household. The face-to-face interview may be waived in accordance with 273.2(e). The State agency may also waive the face-to-face interview for a household that has no earned income if all of its members are elderly or disabled. The State agency has the option of conducting a telephone interview or a home visit for those households for whom the office interview is waived. However, a household that requests a face-to-face interview must be granted one.
- ii If a household receives PA and will be recertified for food stamps more than once in a 12-month period, the State agency may choose to conduct a face-to-face interview with that household only once during that period. The face-to-face interview shall be conducted at the same time that the household receives a face-to-face interview for PA purposes. At any other recertification during that year period, the State agency may interview the household by telephone, conduct a home visit, or recertify the household by mail.
- iii The State agency may schedule the interview prior to the application filing date, provided that the household's application is not denied at that time for failure to appear for the interview. The State agency shall schedule the interview on or after the date the application was filed if the interview has not been previously scheduled, or the household has failed to appear for any interviews scheduled prior to this time and has requested another interview. State agencies shall schedule interviews so that the

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household has at least 10 days after the interview in which to provide verification before the certification period expires.

4. Verification

- i Information provided by the household shall be verified in accordance with 273.2(f)(8)(i). The State agency shall provide the household a notice of required verification as provided in 273.2(c)(5) and notify the household of the date by which the verification requirements must be satisfied. The household must be allowed a minimum of 10 days to provide required verification information. Any household whose eligibility is not determined by the end of its current certification period due to the time period allowed for submitting any missing verification shall receive an opportunity to participate, if eligible, within 5 working days after the household submits the missing verification.

c. Timely Application for Recertification

1. Households reporting required changes in circumstances that are certified for one month or certified in the second month of a two-month certification period shall have 15 days from the date the NOE is received to file a timely application for recertification.
2. Other households reporting required changes in circumstances that submit applications by the 15th day of the last month of the certification period shall be considered to have made a timely application for recertification.
3. For households consisting only of SSI applicants or recipients who apply for food stamp recertification at SSA offices in accordance with 273.2(k)(1), an application shall be considered filed for normal processing purposes when the signed application is received by the SSA.

d. Timely Processing

1. Households that were certified for one month or certified for two months in the second month of the certification period and have met all required application procedures shall be notified of their eligibility or ineligibility. Eligible households shall be provided an opportunity to receive benefits no later than 30 calendar days after the date the household received its last allotment.
2. Other households that have met all application requirements shall be notified of their eligibility or ineligibility by the end of their current certification period. In addition, the State agency shall provide households that are determined eligible an opportunity to participate by the household's normal issuance cycle in the month following the end of its current certification period.

e. Delayed Processing

1. Delays caused by the State Agency

Households which have submitted an application for recertification in a timely manner but, due to State agency error, are not determined eligible in sufficient time to provide for issuance of benefits by the household's next normal issuance date shall receive an immediate opportunity to participate upon being determined eligible, and the allotment shall not be prorated. If the household was unable to participate for the month following the expiration of the certification period because of State agency error, the household is entitled to restored benefits.

2. Delays caused by the household.

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- i If a household does not submit a new application by the end of the certification period, the State agency must close the case without further action.
- ii If a recertification form is submitted more than one month after the timely filing deadline, it shall be treated the same as an application for initial certification. Benefits for migrant and seasonal farm worker households are prorated only if there is a break of more than 30 days. All other households' benefits shall be prorated following any break in certification.
- iii A household which submits an application by the filing deadline but does not appear for an interview scheduled after the application has been filed, or does not submit verification within the required timeframe, loses its right to uninterrupted benefits. The State agency has three options for handling such cases:
 - A. Send the household a denial notice as soon as the household either fails to appear for an interview or fails to submit verification information within the required timeframe. If the interview is completed, or the household provides the required verification information within 30 days of the date of application and is determined eligible, the household must be reinstated and receive benefits within 30 calendar days after the application was filed or within 10 days of the date the interview is completed or required verification information is provided, whichever is later. In no event shall a subsequent period's benefits be provided before the end of the current certification period.

VERMONT: Vermont elects to use option A.
 - B. Deny the household's recertification application at the end of the last month of the current certification period. The State agency may on a Statewide basis either require households to submit new applications to continue benefits or reinstate the households without requiring new applications if the households have been interviewed and have provided the required verification information within 30 days after the applications have been denied.
 - C. Deny the household's recertification request 30 days after application. The State agency may on a Statewide basis either require households to submit new applications to continue benefits or reinstate households without requiring new applications if such households have been interviewed and have provided the required verification within 30 days after the applications have been denied.

f. Expedited Service

A State agency is not required to apply the expedited service provisions of 273.2(i) at recertification if the household applies for recertification before the end of its current certification period.

Fair Hearings

273.15 Fair Hearings (03/01/1981, 81-19)

a. Availability of Hearings

Except as provided in §271.7(f), each State agency shall provide a fair hearing to any household aggrieved by any action of the State agency which affects the participation of the household in the Program.

b. Hearing System

The State agency shall provide for a fair hearing at the State level.

c. Timely Action of Hearings

1. State Level Hearings

Within 60 days of receipt of a request for a fair hearing, the State agency shall assure that the hearing is conducted, a decision is reached, and the household and local agency are notified of the decision. Decisions which result in an increase in household benefits shall be reflected in the coupon allotment within 10 days of the receipt of the hearing decision even if the State agency must provide a supplementary allotment outside of the normal issuance cycle. However, the State agency may take longer than 10 days if it elects to make the decision effective in the household's normal issuance cycle, provided that the issuance will occur within 60 days from the household's request for the hearing. Decisions which result in a decrease in household benefits shall be reflected in the next scheduled issuance following receipt of the hearing decision.

2. Numbers 2 and 3 deleted as we only have state level hearings

3. Numbers 2 and 3 deleted as we only have state level hearings

4. Household Request for Postponement

The household may request and is entitled to receive a postponement of the scheduled hearing. The postponement shall not exceed 30 days and the time limit for action on the decision may be extended for as many days as the hearing is postponed. For example, if a State level hearing is postponed by the household for 10 days, notification of the hearing decision will be required within 70 days from the date of the request for a hearing.

d. Agency Conferences

1. The State agency shall offer agency conferences to households which wish to contest a denial of expedited service under the procedures in §273.2(i). The State agency may also offer agency conferences to households adversely affected by an agency action. The State agency shall advise households that use of an agency conference is optional and that it shall in no way delay or replace the fair hearing process. The agency conferences may be attended by the eligibility worker responsible for the agency action, and shall be attended by an eligibility supervisor and/or the agency director, and by the household and/or its representative. An agency conference may lead to an informal resolution of the dispute. However, a fair hearing must still be held unless the household makes a written withdrawal of its request for a hearing.

2. An agency conference for households contesting a denial of expedited service shall be scheduled within 2 working days, unless the household requests that it be scheduled later or states that it does not wish to have an agency conference.

e. Consolidated Hearings

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Consolidated hearings. State agencies may respond to a series of individual requests for hearings by conducting a single group hearing. State agencies may consolidate only cases where individual issues of fact are not disputed and where related issues of State and/or Federal law, regulation or policy are the sole issues being raised. In all group hearings, the regulations governing individual hearings must be followed. Each individual household shall be permitted to present its own case or have its case presented by a representative.

f. Notification of Right to Request Hearing

Notification of right to request hearing. At the time of application, each household shall be informed in writing of its right to a hearing, of the method by which a hearing may be requested, and that its case may be presented by a household member or a representative, such as a legal counsel, a relative, a friend or other spokesperson. In addition, at any time the household expresses to the State agency that it disagrees with a State agency action, it shall be reminded of the right to request a fair hearing. If there is an individual or organization available that provides free legal representation, the household shall also be informed of the availability of that service.

g. Time Period For Requesting Hearing

Time period for requesting hearing. A household shall be allowed to request a hearing on any action by the State agency or loss of benefits which occurred in the prior 90 days. Action by the State agency shall include a denial of a request for restoration of any benefits lost more than 90 days but less than a year prior to the request. In addition, at any time within a certification period a household may request a fair hearing to dispute its current level of benefits.

h. Request for Hearing

A request for a hearing is defined as a clear expression, oral or written, by the household or its representative to the effect that it wishes to appeal a decision or that an opportunity to present its case to a higher authority is desired. If it is unclear from the household's request what action it wishes to appeal, the state agency may request that household to clarify its grievance. The freedom to make a request for a hearing shall not be limited or interfered with in any way.

i. State Agency Responsibilities on Hearing Requests

1. Upon request, the state agency shall make available without charge the specific materials necessary for a household or its representative to determine whether a hearing shall be requested or to prepare for a hearing. If the individual making the request speaks a language other than English and the state agency is required by 272.4(c)(3) to provide bilingual staff or interpreters who speak the appropriate language, the state agency shall insure that the hearing procedures are verbally explained in that language. Upon request, the state agency shall also help a household with its hearing request. If a household makes an oral request for a hearing, the state agency shall complete the procedures necessary to start the hearing process. Households shall be advised of any legal services available that can provide representation at the hearing. Vermont not required by 272.4(c)(3) to provide bilingual staff or interpreters.
2. The state agency shall expedite hearing requests from households, such as migrant farmworkers, that plan to move from the jurisdiction of the hearing official before the hearing decision would normally be reached. Hearing requests from these households shall be processed faster than others if necessary to enable them to receive a decision and restoration of benefits if the decision so indicates before they leave the area.
3. The state agency shall publish clearly written uniform rules of procedure that conform to these regulations and shall make the rules available to any interested party. At a minimum, the uniform rules of procedure shall include the time limits for hearing requests as specified in paragraph (g) of this section, advance notification requirements as specified in paragraph

Fair Hearings

(l) of this section, hearing timeliness standards as specified in paragraph (c) of this section, and the rights and responsibilities of persons requesting a hearing as specified in paragraph (p) of this section.

j. Denial or Dismissal of Request for Hearing

The state agency shall not deny or dismiss a request for a hearing unless

1. The request is not received within the time period specified in paragraph (g) of this section;
2. The request is withdrawn orally or in writing by the household or its representative; or
3. The household or its representative fails, without good cause, to appear at the scheduled hearing.

If the withdrawal request is an oral request, the state will provide a written notice to the household confirming the withdrawal request and provide the household with an opportunity to request another hearing.

k. Continuation of Benefits

1. If a household requests a fair hearing within the period provided by the notice of adverse action, as set forth in 273.13, and its certification period has not expired, the household's participation in the program shall be continued on the basis authorized immediately prior to the notice of adverse action, unless the household specifically waives continuation of benefits. The form for requesting a fair hearing shall contain space for the household to indicate whether or not continued benefits are requested. If the form does not positively indicate that the household has waived continuation of benefits, the State agency shall assume that continuation of benefits is desired and the benefits shall be issued accordingly. If the State agency action is upheld by the hearing decision, a claim against the household shall be established for all overissuances. If a hearing request is not made within the period provided by the notice of adverse action, benefits shall be reduced or terminated as provided in the notice. However, if the household establishes that its failure to make the request within the advance notice period was for good cause, the State agency shall reinstate the benefits to the prior basis. When benefits are reduced or terminated due to a mass change, participation on the prior basis shall be reinstated only if the issue being contested is that food stamp eligibility or benefits were improperly computed or that Federal law or regulation is being misapplied or misinterpreted by the State agency.
2. Once continued or reinstated, benefits shall not be reduced or terminated prior to the receipt of the official hearing decision unless:
 - i The certification period expires. The household may reapply and may be determined eligible for a new certification period with a benefit amount as determined by the State agency;
 - ii The hearing official makes a preliminary determination, in writing and at the hearing, that the sole issue is one of Federal law or regulation and that the household's claim that the State agency improperly computed the benefits or misinterpreted or misapplied such law or regulation is invalid;
 - iii A change affecting the household's eligibility or basis of issuance occurs while the hearing decision is pending and the household fails to request a hearing after the subsequent notice of adverse action; or

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iv A mass change affecting the household's eligibility or basis of issuance occurs while the hearing decision is pending.

3. The State agency shall promptly inform the household in writing if benefits are reduced or terminated pending the hearing decision.

1. Notification of Time and Place of Hearing

The time, date, and place of the hearing shall be arranged so that the hearing is accessible to the household. At least 10 days prior to the hearing, advance written notice shall be provided to all parties involved to permit adequate preparation of the case. However, the household may request less advance notice to expedite the scheduling of the hearing. The notice shall:

1. Advise the household or its representative of the name, address, and phone number of the person to notify in the event it is not possible for the household to attend the scheduled hearing.
2. Specify that the State agency will dismiss the hearing request if the household or its representative fails to appear for the hearing without good cause.
3. Include the State agency hearing procedures and any other information that would provide the household with an understanding of the proceedings and that would contribute to the effective presentation of the household's case.
4. Explain that the household or representative may examine the case file prior to the hearing.

m. Hearing Official

Hearings shall be conducted by an impartial official(s) who: Does not have any personal stake or involvement in the case; was not directly involved in the initial determination of the action which is being contested; and was not the immediate supervisor of the eligibility worker who took the action. State level hearings shall be conducted by State level personnel and shall not be conducted by local level personnel.

1. Designation of hearing official

The hearing official shall be:

- i An employee of the State agency;
- ii An individual under contract with the State agency;
- iii An employee of another public agency designated by the State agency to conduct hearings;
- iv A member or official of a statutory board or other legal entity designated by the State agency to conduct hearings; or
- v An executive officer of the State agency, a panel of officials of the State agency or a person or persons expressly appointed to conduct State level hearings or to review State and/or local level hearing decisions.

2. Designation of hearing official

The hearing official shall:

Fair Hearings

- i Administer oaths or affirmations if required by the State;
- ii Insure that all relevant issues are considered;
- iii Request, receive and make part of the record all evidence determined necessary to decide the issues being raised;
- iv Regulate the conduct and course of the hearing consistent with due process to insure an orderly hearing;
- v Order, where relevant and useful, an independent medical assessment or professional evaluation from a source mutually satisfactory to the household and the State agency;
- vi Provide a hearing record and recommendation for final decision by the hearing authority; or, if the hearing official is the hearing authority, render a hearing decision in the name of the State agency, in accordance with paragraph (q) of this section, which will resolve the dispute.

n. Hearing Authority

The hearing authority shall be the person designated to render the final administrative decision in a hearing. The same person may act as both the hearing official and the hearing authority. The hearing authority shall be subject to the requirements specified in paragraph (m) of this section.

o. Attendance At Hearing

The hearing shall be attended by a representative of the State agency and by the household and/or its representative. The hearing may also be attended by friends or relatives of the household if the household so chooses. The hearing official shall have the authority to limit the number of persons in attendance at the hearing if space limitations exist.

p. Household Rights During Hearing

The household may not be familiar with the rules of order and it may be necessary to make particular efforts to arrive at the facts of the case in a way that makes the household feel most at ease. The household or its representative must be given adequate opportunity to:

1. Examine all documents and records to be used at the hearing at a reasonable time before the date of the hearing as well as during the hearing. The contents of the case file including the application form and documents of verification used by the State agency to establish the household's ineligibility or eligibility and allotment shall be made available, provided that confidential information, such as the names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecutions, is protected from release. If requested by the household or its representative, the State agency shall provide a free copy of the portions of the case file that are relevant to the hearing. Confidential information that is protected from release and other documents or records which the household will not otherwise have an opportunity to contest or challenge shall not be introduced at the hearing or affect the hearing official's decision.
2. Present the case or have it presented by a legal counsel or other person.
3. Bring witnesses.
4. Advance arguments without undue interference.

Fair Hearings

5. Question or refute any testimony or evidence, including an opportunity to confront and cross examine adverse witnesses.
6. Submit evidence to establish all pertinent facts and circumstances in the case.

q. Hearing Decisions

1. Decisions of the hearing authority shall comply with Federal law and regulations and shall be based on the hearing record. The verbatim transcript or recording of testimony and exhibits, or an official report containing the substance of what transpired at the hearing, together with all papers and requests filed in the proceeding, shall constitute the exclusive record for a final decision by the hearing authority. This record shall be retained in accordance with §272.1(f). This record shall also be available to the household or its representative at any reasonable time for copying and inspection.
2. A decision by the hearing authority shall be binding on the State agency and shall summarize the facts of the case, specify the reasons for the decision, and identify the supporting evidence and the pertinent Federal regulations. The decision shall become a part of the record.
3. The household and the local agency shall each be notified in writing of: The decision; the reason for the decision in accordance with paragraph (q)(2) of this section; the available appeal rights; and that the household's benefits will be issued or terminated as decided by the hearing authority. The notice shall also state that an appeal may result in a reversal of the decision. The following are additional notice requirements and the available appeal rights:
 - i After a State level hearing decision which upholds the State agency action, the household shall be notified of the right to pursue judicial review of the decision.
 - ii Not applicable in Vermont.
4. Not applicable in Vermont.
5. All State agency hearing records and decisions shall be available for public inspection and copying, subject to the disclosure safeguards provided in 7 CFR 272.1(c), and provided identifying names and addresses of household members and other members of the public are kept confidential.

r. Implementation of Local Level Hearing Decision

Not applicable in Vermont

s. Implementation of Final State Agency Decisions

The State agency is responsible for insuring that all final hearing decisions are reflected in the household's coupon allotment within the time limits specified in paragraph (c) of this section.

1. When the hearing authority determines that a household has been improperly denied program benefits or has been issued a lesser allotment than was due, lost benefits shall be provided to the household in accordance with §273.17. The State agency shall restore benefits to households which are leaving the project area before the departure whenever possible. If benefits are not restored prior to the household's departure, the State agency shall forward an authorization to the benefits to the household or to the new project area if this information is known. The new project area shall accept an authorization and issue the appropriate benefits whether the notice is presented by the household or received directly from another project area.

Fair Hearings

2. When the hearing authority upholds the State agency's action, a claim against the household for any overissuances shall be prepared in accordance with §273.18.

Vermont — “t” deleted as not applicable.

- t. Departmental Review of Decisions Contrary to Federal Law and Regulations.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.16 Date of this Memo 01/01/2009 Page 1 of 1

This Memo: is New Replaces one dated _____

Eligibility Expansion and Administrative Simplification

As allowed under federal SNAP rules, the department exercises an option to further expand categorical eligibility rules for Non-Public Assistance (NPA) households, effective January 1, 2009. NPA households are subject to a gross income test of 185% of the federal poverty level (FPL) and their asset test is eliminated. Receipt of the AHS Screen Door informational bookmark (produced under a cost allocation plan that includes partial funding from the TANF block grant) confers categorical eligibility.

This program expansion will relieve clients of the burden of providing asset information and verifications for 3SquaresVT, the renamed Food Stamp Program. DCF staff will no longer have to request and review asset verifications or explore asset-related matches for these households. This change will increase participation in the program by working families, seniors, and people with disabilities who may have had income above 130% FPL in the past. Additionally, it will save case processing time and reduce quality control errors.

Clients applying for other benefit programs or receiving other benefits in addition to 3SquaresVT are still required to follow those programs' requirements about asset limits and reporting and verifying asset information. Such requests for information and verification should not affect or delay determination of 3SquaresVT eligibility for categorically eligible households.

Exceptions to this new categorical eligibility are households in which the entire household is disqualified because one or more of its members failed to comply with the ABAWD work-for-benefits component in accordance with 273.22, or the entire household is institutionalized, or any member of the household is disqualified for an intentional program violation in accordance with 273.16, or the head of household is disqualified for failure to comply with 3SquaresVT work requirements, in accordance with 273.7.

A household with income greater than 185% of FPL, that contains any member over age 60 or any person with a disability, and that does not meet any other categorical eligibility rule, will not be eligible for expanded categorical eligibility. Such households must not have assets greater than \$3,000. In these situations, the worker must request asset information and appropriate verifications to determine eligibility.

Disqualification for Intentional Program Violation

273.16 Disqualification for Intentional Program Violation (02/01/1996, 96-7)

a.

1. The State agency shall be responsible for investigating any case of alleged intentional program violation, and ensuring that appropriate cases are acted upon either through administrative disqualification hearings or referral to a court of appropriate jurisdiction in accordance with the procedures outlined in this section. Administrative disqualification procedures or referral for prosecution action should be initiated by the State agency in cases in which the State agency has sufficient documentary evidence to substantiate that an individual has intentionally made one or more acts of intentional program violation as defined in paragraph (c) of this section. If the State agency does not initiate administrative disqualification procedures or refer for prosecution a case involving an overissuance caused by a suspected act of intentional program violation, the State agency shall take action to collect the overissuance by establishing an inadvertent household error claim against the household in accordance with the procedures in 273.18.

The State agency should conduct administrative disqualification hearings in cases in which the State agency believes the facts of the individual case do not warrant civil or criminal prosecution through the appropriate court system, in cases previously referred for prosecution that were declined by the appropriate legal authority, and in previously referred cases where no action was taken within a reasonable period of time and the referral was formally withdrawn by the State agency. The State agency shall not initiate an administrative disqualification hearing against an accused individual whose case is currently being referred for prosecution or subsequent to any action taken against the accused individual by the prosecution or court of appropriate jurisdiction, if the factual issues of the case arise out of the same, or related, circumstances.

The State agency may initiate administrative disqualification procedures or refer a case for prosecution regardless of the current eligibility of the individual. For those persons not currently certified to participate in the program at the time of the administrative disqualification or court decision, the disqualification period shall take effect immediately after the individual applies for and is determined eligible for program benefits.

VERMONT: The Vermont Supreme Court has ruled, through *Parrotte vs DSW*, that DSW cannot delay the imposition of a disqualification penalty until the individual applies for and is determined eligible for benefits.

2. Each State agency shall establish a system for conducting administrative disqualifications for intentional program violation which conforms with the procedures outlined in paragraph (e) of this section. FNS shall exempt any State agency from the requirement to establish an administrative disqualification system if the State agency has already entered into an agreement, pursuant to paragraph (g)(1) of this section, with the State's Attorney General's Office or, where necessary, with county prosecutors. FNS shall also exempt any State agency from the requirement to establish an administrative disqualification system if there is a State law that requires the referral of such cases for prosecution and if the State agency demonstrates to FNS that it is actually referring cases for prosecution and that prosecutors are following up on the State agency's referrals. FNS may require a State agency to establish an administrative disqualification system if it determines that the State agency is not promptly or actively pursuing suspected intentional program violation claims through the courts.

VERMONT: Administrative disqualification hearings will be held, as Vermont as is not exempt from the requirement.

Disqualification for Intentional Program Violation

3. The State agency shall base administrative disqualification for intentional program violations on the determinations of hearing authorities arrived at through administrative disqualification hearings in accordance with 273.16e or on determination reached by courts of appropriate jurisdiction in accordance with 273.16g. However, any State agency has the option of allowing accused individuals either to waive their rights to administrative disqualification hearings in accordance with 273.16f or to sign disqualification consent agreements for cases of deferred adjudication in accordance with 273.16h. Any State agency which chooses either of these options may base administrative disqualifications for intentional program violation on the waived right to an administrative disqualification hearing or on the signed disqualification consent agreement in cases of deferred adjudication.

VERMONT: Vermont will adopt the option of allowing accused individuals to waive their rights to administrative disqualification hearings and will not adopt the option of allowing accused individuals to sign disqualification consent agreements for cases of deferred adjudication.

b. Disqualification Penalties

1. Individuals found to have committed an intentional program violation either through an administrative disqualification hearing or by a Federal, State or local court, or who have signed either a waiver of right to an administrative disqualification hearing or a disqualification consent agreement in cases referred for prosecution, shall be ineligible to participate in the Program:
 - i For a period of one year for the first intentional program violation, except as provided under paragraphs (b)(2) and (b)(3) of this section;
 - ii For a period of two years upon the second occasion of any intentional Program violation, except as provided in paragraphs (b)(2) and (b)(3) of this section; and
 - iii Permanently for the third occasion of any intentional Program violation.
2. Individuals found by a Federal, State or local court to have used or received coupons in a transaction involving the sale of a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) shall be ineligible to participate in the Program:
 - i For a period of two years upon the first occasion of such violation; and
 - ii Permanently upon the second occasion of such violation.
3. Individuals found by a Federal, State or local court to have used or received coupons in a transaction involving the sale of firearms, ammunition or explosives shall be permanently ineligible to participate in the Program upon the first occasion of such violation.
4. The penalties in paragraphs (b)(2) and (b)(3) of this section shall also apply in cases of deferred adjudication as described in paragraph (h) of this section, where the court makes a finding that the individual engaged in the conduct described in paragraph (b)(2) or (b)(3) of this section.
5. Individuals that fraudulently misrepresented, as determined by a state agency or federal or state court, their identity or residence in order to receive multiple food stamp benefits (benefits in more than one state or subdivision of a state at one time) shall be ineligible to participate in the program for ten years.

Disqualification for Intentional Program Violation

6. No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is:
 - i fleeing to avoid prosecution, or custody or confinement after conviction, under the law of the place from which the individual is fleeing, for a crime, or attempt to commit a crime, that is a felony under the law of the place from which the individual is fleeing or that, in the case of New Jersey, is a high misdemeanor under the law of New Jersey; or
 - ii violating a condition of probation or parole for a felony imposed under a federal or state law.
 7. Permanently disqualifies persons convicted by a court or by an administrative disqualification of trafficking in food stamp benefits of \$500 or more.
 8. If a court fails to impose a disqualification or a disqualification period for any intentional Program violation, the State agency shall impose the appropriate disqualification penalty specified in paragraphs (b)(1), (b)(2) or (b)(3) of this section unless it is contrary to the court order.
 9. One or more intentional Program violations which occurred prior to April 1, 1983, shall be considered as only one previous disqualification when determining the appropriate penalty to impose in a case under consideration.
 10. Regardless of when an action taken by an individual which caused an intentional Program violation occurred, the disqualification periods specified in paragraphs (b)(2) and (b)(3) of this section shall apply to any case in which the court makes the requisite finding on or after September 1, 1994.
 11. State agencies shall disqualify only the individual found to have committed the intentional Program violation, or who signed the waiver of the right to an administrative disqualification hearing or disqualification consent agreement in cases referred for prosecution, and not the entire household.
 12. Even though only the individual is disqualified, the household, as defined in § 273.1, is responsible for making restitution for the amount of any overpayment. All intentional Program violation claims shall be established and collected in accordance with the procedures set forth in § 273.18.
- c. For purposes of determining through administrative disqualification hearings whether or not a person has committed an intentional program violation, intentional program violations shall consist of having intentionally:
1. Made a false or misleading statement, or misrepresented, concealed or withheld facts, or
 2. Committed any act that constitutes a violation of the Food Stamp Act, the Food Stamp Program regulations, or any State statute relating to the use, presentation, transfer, acquisition, receipt, or possession of Food Stamp coupons or ATP's.

VERMONT: Vermont does not use ATP's

d. Notification to Applicant Households

The State agency shall inform the household in writing of the disqualification penalties for intentional program violation each time it applies for program benefits. The penalties shall be written in clear, prominent, and boldface lettering on the application form.

Disqualification for Intentional Program Violation

e. Disqualification Hearings

The State agency shall conduct administrative disqualification hearings for individuals accused of intentional program violation in accordance with the requirements outlined in this section.

1. Consolidation of administrative disqualification hearing with fair hearing.

The State agency may combine a fair hearing and an administrative disqualification hearing into a single hearing if the factual issues arise out of the same, or related, circumstances and the household receives prior notice that the hearing will be combined. If the disqualification hearing and fair hearing are combined, the State agency shall follow the time frames for conducting disqualification hearings. If the hearings are combined for the purpose of settling the amount of the claim at the same time as determining whether or not intentional program violation has occurred, the household shall lose its right to a subsequent fair hearing on the amount of the claim. However, the State agency shall, upon household request, allow the household to waive the 30 day advance notice period required by paragraph (e)(3)(i) of this section when the disqualification hearing and fair hearing are combined.

VERMONT: Administrative disqualification hearings will be consolidated with fair hearings if the factual issues arise out of the same, or related circumstances.

2. Disqualification hearing procedures.

- i State agencies have the option of using the same hearing officials for disqualification hearings and fair hearings or designating hearing officials to conduct only disqualification hearings.

VERMONT: Vermont intends to adopt the option of using the same hearing officials for disqualification hearings and fair hearings. This is the Human Services agency Fair Hearing Officers. For Fair Hearings, the Hearing Officer makes a recommendation to the Fair Hearing Board, and the Board makes the decision. For Administrative Disqualification Hearings, the Hearing Officer makes the decision. If rule changes are necessary for the Fair Hearing Board, the Department will designate an official to conduct the hearings until any required rule changes are accomplished.

- ii The provisions of 273.15 (m),(n),(o),(p), and (q) (1) are also applicable for disqualification hearings.
- iii the disqualification hearing, the hearing official shall advise the household member or representative that they may refuse to answer questions during the hearing.
- iv Within 90 days of the date the individual is notified in writing that a State or local hearing initiated by the State agency has been scheduled, the State agency shall conduct the hearing, arrive at a decision and notify the individual and local agency of the decision. The individual or his/her representative is entitled to a postponement of the scheduled hearing, provided that the request for postponement is made at least 10 days in advance of the date of the scheduled hearing. However, the hearing shall not be postponed for more than a total of 30 days and the State agency may limit the number of postponements to one. if the hearing is postponed, the above time limits shall be extended for as many days as the hearing is postponed.

Disqualification for Intentional Program Violation

VERMONT: The option of limiting the numbers of postponements to one has been adopted.

- v The State agency shall publish clearly written rules of procedure for disqualification hearings, and shall make these procedures available to any interested party.

VERMONT: The rules of procedure for Vermont are as appear above in 273.16(e)(2) including the referenced applicable procedures from fair hearing policy in 273.15(m)(n)(o)(p) & (q)(1).

3. Advance notice of hearing

- i The State agency shall provide written notice to the individual suspected of committing an intentional program violation at least 30 days in advance of the date a disqualification hearing initiated by the State agency has been scheduled. If mailed, the notice shall be sent either first class or certified mail-return receipt requested. The notice may also be provided by any other reliable method. If the notice is sent using first class mail and is returned as undeliverable, the hearing may still be held.
- ii If no proof of receipt is obtained, a timely (as defined in paragraph (e)(4) of this section) showing of nonreceipt by the individual due to circumstances specified by the State agency shall be considered good cause for not appearing at the hearing. Each State agency shall establish the circumstances in which non-receipt constitutes good cause for failure to appear. Such circumstances shall be consistent throughout the State agency.
- iii The notice shall contain at a minimum:
 - A. The date, time, and place of the hearing;
 - B. The charge(s) against the individual;
 - C. A summary of the evidence, and how and where the evidence can be examined;
 - D. A warning that the decision will be based solely on information provided by the State agency if the individual fails to appear at the hearing;
 - E. A statement that the individual or representative will, upon receipt of the notice, have 10 days from the date of the scheduled hearing to present good cause for failure to appear in order to receive a new hearing;
 - F. A warning that a determination of intentional program violation will result in disqualification periods as determined by paragraph (b) of this section, and a statement of which penalty the State agency believes is applicable to the case scheduled for a hearing;
 - G. A listing of the individual's rights as contained in §273.15(p);
 - H. A statement that the hearing does not preclude the State or Federal Government from prosecuting the individual for intentional program violation in a civil or criminal court action, or from collecting any overissuance(s); and
 - I. If there is an individual or organization available that provides free legal representation, the notice shall advise the affected individual of the availability of the service.

Disqualification for Intentional Program Violation

- iv A copy of the State agency's published hearing procedures shall be attached to the 30 day advance notice or the advance notice shall inform the individual of his/her right to obtain a copy of the State agency's published hearing procedures upon request.

VERMONT: The notice shall inform the individual of his/her right to obtain a copy of the hearing procedures upon request.

- v Each State agency shall develop an advance notice form which contains the information required by this section.

4. Scheduling of hearing

The time and place of the hearing shall be arranged so that the hearing is accessible to the household suspected of intentional program violation. If the household or his/her representative cannot be located or fails to appear at a hearing initiated by the State agency without good cause, the hearing shall be conducted without the household being represented. Even though the household is not represented, the hearing official is required to carefully consider the evidence and determine if intentional program violation was committed based on clear and convincing evidence. If the household is found to have committed an intentional program violation but a hearing official later determines that the household member or representative had good cause for not appearing, the previous decision shall no longer remain valid and the State agency shall conduct a new hearing. The hearing official who originally ruled on the case may conduct the new hearing. In instances where good cause for failure to appear is based upon a showing of nonreceipt of the hearing notice as specified in paragraph (e)(3)(ii) of this section, the household member has 30 days after the date of the written notice of the hearing decision to claim good cause for failure to appear. In all other instances, the household member has 10 days from the date of the scheduled hearing to present reasons indicating a good cause for failure to appear. A hearing official must enter the good cause decision into the record.

5. Participation while awaiting a hearing

A pending disqualification hearing shall not affect the individual's or the household's right to be certified and participate in the program. Since the State agency cannot disqualify a household member for intentional program violation until the hearing official finds that the individual has committed intentional program violation, the State agency shall determine the eligibility and benefit level of the household in the same manner it would be determined for any other household. For example, if the misstatement or action for which the household member is suspected of intentional program violation does not affect the household's current circumstances, the household would continue to receive its allotment based on the latest certification action or be recertified based on a new application and this current circumstances. However, the household's benefits shall be terminated if the certification period has expired and the household, after receiving its notice of expiration, fails to reapply. The State agency shall also reduce or terminate the household's benefits if the State agency has documentation which substantiates that the household is ineligible or eligible for fewer benefits (even if these facts led to the suspicion of intentional program violation and the resulting disqualification hearing) and the household fails to request a fair hearing and continuation of benefits pending the hearing. For example, the State agency may have facts which substantiate that a household failed to report a change in its circumstances even though the State agency has not yet demonstrated that the failure to report involved an intentional act of program violation.

6. Criteria for determining intentional program violation.

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The hearing authority shall base the determination of intentional program violation on clear and convincing evidence which demonstrates that the household member(s) committed, and intended to commit, intentional program violation as defined in paragraphs (c) of this section.

7. Decision format.

The hearing authority's decision shall specify the reasons for the decision, identify the supporting evidence, identify the pertinent FNS regulation, and respond to reasoned arguments made by the household member or representative.

8. Imposition of disqualification penalties

- i If the hearing authority rules that the household member has committed intentional program violation, the household member shall be disqualified in accordance with the disqualification periods specified in paragraph (b) on this section beginning with the first month which follows the date the household member receives written notification of the hearing decision. However, if the act of intentional program violation which led to the disqualification occurred prior to notification of the disqualification periods specified in paragraph (b) of this section, the household member shall be disqualified in accordance with the disqualification periods in effect at the time of the offense. The same act of intentional program violation repeated over a period of time shall not be separated so that separate penalties can be imposed.
- ii No further administrative appeal procedure exists after an adverse State level hearing. The determination of intentional program violation made by a disqualification hearing official cannot be reversed by a subsequent fair hearing decision. The household member, however, is entitled to seek relief in a court having appropriate jurisdiction. The period of disqualification may be subject to stay by a court of appropriate jurisdiction or other injunctive remedy.

VERMONT: In Vermont the Superior Court is the court of appropriate jurisdiction in which to seek relief from a disqualification hearing.

- iii If the individual is not certified to participate in the program at the time the disqualification period is to begin, the period shall take effect immediately after the individual applies for and is determined eligible for benefits.

VERMONT: The Vermont Supreme Court has ruled, through Parrotte vs DSW, that DSW cannot delay the imposition of a disqualification penalty until the individual applies for and is determined eligible for benefits.

- iv Once a disqualification penalty has been imposed against a currently participating household member, the period of disqualification shall continue uninterrupted until completed regardless of the eligibility of the disqualified member's household. However, the disqualified member's household shall continue to be responsible for repayment of the overissuance which resulted from the disqualified member's intentional program violation regardless of its eligibility for program benefits.

9. Notification of hearing decision

- i If the hearing official finds that the household member did not commit intentional program violation, the State agency shall provide a written notice which informs the household member of the decision.

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- ii If the hearing official finds that the household member committed intentional program violation, the State agency shall provide written notice to the household member prior to disqualification. The notice shall inform the household member of the decision and the reason for the decision. In addition, the notice shall inform the household member of the date the disqualification will take effect. If the individual is no longer participating, the notice shall inform the individual that the period of disqualification will be deferred until such time as the individual again applies for and is determined eligible for program benefits. The State agency shall also provide written notice to the remaining household members, if any, of either the allotment they will receive during the period of disqualification or that they must reapply because the certification period has expired. The procedures for handling the income and resources of the disqualified member are described in §273.11(c). A written demand letter for restitution, as described in §273.18(d)(3), shall also be provided.
- iii Each State agency shall develop a form for notifying individuals that they have been found by an administrative disqualification hearing to have committed intentional program violation. The form shall contain the information required by this section.

VERMONT: the last sentence of this paragraph has been deleted as not applicable.

10. Local level hearings

VERMONT: this section is not applicable as Vermont has not chosen the option of providing local level hearings.

f. Waived Hearings

Each State agency shall have the option of establishing procedures to allow accused individuals to waive their rights to an administrative disqualification hearing. For State agencies which choose the option of allowing individuals to waive their rights to an administrative disqualification hearing, the procedures shall conform with the requirements outlined in this section.

VERMONT: The option of allowing individuals to waive their rights to an administrative disqualification hearing has been adopted.

1. Advance notification

- i The State agency shall provide written notification to the household member suspected of intentional program violation that the member can waive his/her right to an administrative disqualification hearing. Prior to providing this written notification to the household member, the State agency shall ensure that the evidence against the household member is reviewed by someone other than the eligibility worker assigned to the accused individual's household and a decision is obtained that such evidence warrants scheduling a disqualification hearing.
- ii The written notification provided to the household member which informs him/her of the possibility of waiving the administrative disqualification hearing shall include, at a minimum:
 - A. The date that the signed waiver must be received by the State agency to avoid the holding of a hearing and a signature block for the accused individual, along with a statement that the head of household must also sign the waiver if the accused

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- individual is not the head of household, with an appropriately designated signature block;
- B. A statement of the accused individual's right to remain silent concerning the charge(s), and that anything said or signed by the individual concerning the charge(s) can be used against him/her in a court of law;
 - C. The fact that a waiver of the disqualification hearing will result in disqualification and a reduction in benefits for the period of disqualification, even if the accused individual does not admit to the facts as presented by the State agency;
 - D. An opportunity for the accused individual to specify whether or not he/she admits to the facts as presented by the State agency. This opportunity shall consist of the following statements, or statements developed by the State agency which have the same effect, and a method for the individual to designate his/her choice:
 - (1) I admit to the facts as presented, and understand that a disqualification penalty will be imposed if I sign this waiver; and
 - (2) I do not admit that the facts as presented are correct. However, I have chosen to sign this waiver and understand that a disqualification penalty will result;
 - E. The telephone number and, if possible, the name of the person to contact for additional information; and
 - F. The fact that the remaining household members, if any, will be held responsible for repayment of the resulting claim.
- iii The State agency shall develop a waiver of right to an administrative disqualification hearing form which contains the information required by this section as well as the information described in paragraph (e)(3) of this section for advance notice of a hearing. However, if the household member is notified of the possibility of waiving his/her right to an administrative disqualification hearing before the State agency has scheduled a hearing, the State agency is not required to notify the household member of the date, time and place of the hearing at that point as required by paragraph (e)(3)(i)(A) of this section.
2. Imposition of disqualification penalties.
- i If the household member suspected of intentional program violation signs the waiver of right to an administrative disqualification hearing and the signed waiver is received within the time frames specified by the State agency, the household member shall be disqualified in accordance with the disqualification periods specified in paragraph (b) of this section. The period of disqualification shall begin with the first month which follows the date the household member receives written notification of the disqualification. However, if the act of intentional program violation which led to the disqualification occurred prior to the written notification of the disqualification periods specified in paragraph (b) of this section, the household member shall be disqualified in accordance with the disqualification periods in effect at the time of the offense. The same act of intentional program violation repeated over a period of time shall not be separated so that separate penalties can be imposed.
 - ii No further administrative appeal procedure exists after an individual waives his/her right to an administrative disqualification hearing and a disqualification penalty has been imposed. The disqualification penalty cannot be changed by a subsequent fair

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hearing decision. The household member, however is entitled to seek relief in a court having appropriate jurisdiction. The period of disqualification may be subject to stay by a court of appropriate jurisdiction or other injunctive remedy.

- iii If the individual is not certified to participate in the program at the time the disqualification period is to begin, the period shall take effect immediately after the individual applies for and is determined eligible for benefits.

VERMONT: The Vermont Supreme Court has ruled, through Parrotte vs DSW, that DSW cannot delay the imposition of a disqualification penalty until the individual applies for and is determined eligible for benefits.

- iv Once a disqualification penalty has been imposed against a currently participating household member, the period of disqualification shall continue uninterrupted until completed regardless of the eligibility of the disqualified member's household. However, the disqualified member's household shall continue to be responsible for repayment of the over issuance which resulted from the disqualified member's intentional program violation regardless of its eligibility for program benefits.

3. Notification of disqualification

The State agency shall provide written notice to the household member prior to disqualification. The State agency shall also provide written notice to any remaining household members of the allotment they will receive during the period of disqualification or that they must reapply because the certification period has expired. The notice(s) shall conform to the requirements for notification of a hearing decision specified in paragraph (e)(9) of this section. A written demand letter for restitution, as described in 273.18(d)(3), shall also be provided.

4. Waiver of hearing at local level.

VERMONT: This section is not applicable as Vermont has not chosen the option of providing local level hearings.

- g. Any State agency exempted from the requirement to establish an administrative disqualification system in accordance with paragraph (a) of this section shall refer appropriate cases for prosecution by a court of appropriate jurisdiction in accordance with the requirements outlined in this section.

VERMONT: Cases of alleged intentional program violation that are not considered appropriate for an administrative disqualification hearing will be referred for prosecution by a court of appropriate jurisdiction.

1. Appropriate Cases

- i The State agency shall refer cases of alleged intentional program violation for prosecution in accordance with an agreement with prosecutors or State law. The agreement shall provide for prosecution of intentional program violation cases and include the understanding that prosecution will be pursued in cases where appropriate. This agreement shall also include information on how, and under what circumstances, cases will be accepted for possible prosecution and any other criteria set by the prosecutor for accepting cases for prosecution, such as a minimum amount of overissuance which resulted from intentional program violation.

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VERMONT: Cases of alleged intentional program violation are referred in accordance with State law.

- ii State agencies are encouraged to refer for prosecution under State or local statutes those individuals suspected of committing intentional program violation, particularly if large amounts of Food Stamps are suspected of having been obtained by intentional program violation, or the individual is suspected of committing more than one act of intentional program violation. The State agency shall confer with its legal representative to determine the type of cases which will be accepted for possible prosecution. State agencies shall also encourage State and local prosecutors to recommend to the courts that a disqualification penalty as provided in section 6(b) of the Food Stamp Act be imposed in addition to any other civil or criminal penalties for such violations.

2. Imposition of Disqualification Penalties

- i State agencies shall disqualify an individual found guilty of intentional program violation for the length of time specified by the court. If the court fails to impose a disqualification period the State agency shall impose a disqualification period in accordance with the provisions in paragraph (b) of this section, unless contrary to the court order. If disqualification is ordered but a date for initiating the disqualification period is not specified, the State agency shall initiate the disqualification period for currently eligible individuals within 45 days of the date the disqualification was ordered. Any other court imposed disqualification shall begin within 45 days of the date the court found a currently eligible individual guilty of civil or criminal misrepresentation or fraud.
- ii If the individual is not certified to participate in the Program at the time the disqualification period is to begin, the period shall take effect immediately after the individual applies for and is determined eligible for benefits.

VERMONT: The Vermont Supreme Court has ruled, through Parrotte vs DSW, that DSW cannot delay the imposition of a disqualification penalty until the individual applies for and is determined eligible for benefits.

- iii Once a disqualification penalty has been imposed against a currently participating household member, the period of disqualification shall continue uninterrupted until completed regardless of the eligibility of the disqualified member's household. However, the disqualified member's household shall continue to be responsible for repayment of the overissuance which resulted from the disqualified member's intentional program violation regardless of its eligibility for program benefits.

NOTE: How to determine the appropriate responsible household is discussed in 273.18f 2.

VERMONT: As required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, recipients are disqualified for two years for a first finding by a court that the recipient has illegally purchased controlled substances with food stamps, permanently for a second such finding, and permanently for the first finding by a court that the recipient has purchased firearms, ammunition, or explosives with food stamps.

3. Notification of Disqualification

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If the court finds that the household member committed intentional program violation, the State agency shall provide written notice to the household member. The notice shall be provided prior to disqualification, whenever possible. The notice shall inform the household member of the disqualification and the date the disqualification will take effect. The State agency shall also provide written notice to the remaining household members, if any, of the allotment they will receive during the period of disqualification or that they must reapply because the certification period has expired. The procedures for handling the income and resources of the disqualified member are described in Section 273.11(c). In addition, the State agency shall provide the written demand letter for restitution described in 273.18(d)(3).

h. Deferred Adjudication

Each State agency shall have the option of establishing procedures to allow accused individuals to sign disqualification consent agreements for cases of deferred adjudication. State agencies are encouraged to use this option for those cases in which a determination of guilt is not obtained from a court due to the accused individual having met the terms of a court order or which are not prosecuted due to the accused individual having met the terms of an agreement with the prosecutor. For State agencies which choose the option of allowing individuals to sign disqualification consent agreements in cases referred for prosecution, the procedures shall conform with the requirements outlined in this section.

VERMONT: Vermont has not chosen the option of allowing accused individuals to sign disqualification consent agreements for cases of deferred adjudication so the procedures outlined in 273.16(h)(1) through (h)(3) have been omitted as not applicable.

i. Reporting Requirements

1. Each State agency shall report to FNS information concerning individuals disqualified for intentional program violation, including those individuals disqualified based on the determination of an administrative disqualification hearing official or a court of appropriate jurisdiction and those individuals disqualified as a result of signing either a waiver of right to a disqualification hearing or a disqualification consent agreement in cases referred for prosecution. This information shall be submitted to FNS so that it is received no later than 30 days after the date the disqualification took effect, or would have taken effect for a currently ineligible individual whose disqualification is pending future eligibility
2. Each State agency shall report information concerning each individual disqualified for intentional program violation in a format designed by FNS. This format shall include the individual's Social Security number, date of birth, and full name, the number of the disqualification (1st, 2nd, 3rd), the State and county in which the disqualification took place, the date on which the disqualification took effect, and the length of the disqualification period imposed.
3. Each State agency shall submit the required information on each individual disqualified for intentional program violation through a reporting system in accordance with procedures specified by FNS.
4. All the data submitted by State agencies will be available for use by any State Welfare agency.
 - i State agencies shall, at a minimum, use the data for the following:
 - A. To determine the eligibility of individual program applicants prior to certification in cases where the State agency has reason to believe a household member is subject to disqualification in another political jurisdiction, and

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- B. To ascertain the appropriate penalty to impose, based on past disqualifications, in a case under consideration.
- ii State agencies may also use the data in other ways, such as the following:
 - A. To screen all program applicants prior to certification, and
 - B. To periodically match the entire list of disqualified individuals against their current caseloads.
- 5. The disqualification of an individual for intentional Program violation in one political jurisdiction shall be valid in another. However, one or more intentional Program violations which occurred prior to April 1, 1983, shall be considered as only one previous disqualification when determining the appropriate penalty to impose in a case under consideration, regardless of where the disqualification(s) took place. State agencies are required to identify any individuals disqualified for fraud prior to implementation of this rule and to submit the information required by this section on such individuals.
- 6. In cases where the imposition of a disqualification penalty is being held pending the future eligibility of a household member found to have committed intentional program violation, the State agency shall submit a report revising the original disqualification report once the individual begins the period of disqualification in accordance with instructions provided by FCS.
- 7. In cases where the disqualification for intentional Program violation is reversed by a court of appropriate jurisdiction, the State agency shall submit a report to purge the file of the information relating to the disqualification which was reversed in accordance with instructions provided by FCS.
- j. Reversed Fraud Disqualification

In cases where the determination of intentional program violation is reversed by a court of appropriate jurisdiction, the State agency shall reinstate the individual in the program if the household is eligible. The State agency shall restore benefits that were lost as a result of the disqualification in accordance with the procedures specified in Section 273.17(e).

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.17 **Date of this memo** January 27, 2015 **Pages** 1 of 3

This memo: is new Replaces one dated _____

UPDATE: Replacement Benefits Due to a Household Misfortune Policy

Federal regulations at 7 CFR 274.6 allow for the Economic Service Division (ESD) to provide replacement 3SquaresVT benefits to a household that “reports that food purchased with Program benefits was destroyed in a household misfortune.”

Under this policy a household misfortune is defined as an event beyond the household’s control (including but not limited to floods, fires, and hurricanes) that results in the destruction of food the household purchased with 3SquaresVT benefits. A household misfortune could also be an extended power outage that prevents the household from storing refrigerated or frozen foods properly.

Verification of the loss is required before any replacement benefits may be issued. Verification can be obtained through a collateral contact that the client has provided on the [271 “Attestation of Loss and Request for Replacement 3SquaresVT Benefits” Form](#). Verification may also be obtained through documentation from a community agency (such as, but not limited to, the fire department or Red Cross), or a home visit.

Verification of the loss may also be obtained through power outage data (provided by a reliable source such as the power company) and flood maps. Up-to-date power outage data for Vermont counties are available at: <http://vtoutages.org/>

Question: Is there a time limit on how long the power must be off in order for a power outage to qualify as a “household misfortune?”

Answer: To be considered an “extended power outage,” the Food and Nutrition Service (FNS) provides that the power must be off for at least 4 hours. FNS uses the 4 hour time frame based on advice from the Food Safety and Inspection Service.

Question: What about instances where a household is renting, and the refrigerator breaks? Is it the responsibility of the landlord to compensate the renter for the loss of food?

Answer: While the renter may be entitled to seek compensation from the landlord for the loss, they are not required to do so before applying for and/or receiving replacement 3SquaresVT benefits.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.17 **Date of this memo** January 27, 2015 **Pages** 2 of 3

This memo: **is new** **Replaces one dated** _____

Question: Is there a limit to how many replacement benefits may be issued within a household's certification period?

Answer: No. There is not a limit on the number of replacement benefits that may be issued to a household. However, replacement benefits are to be issued only to the extent of the cost of food actually destroyed in the household misfortune, and may never exceed the total benefit allotment that the household received in the month in which the household misfortune took place.

Question: Can replacement benefits be issued to a member of the household who has fled the household due to domestic violence and has left behind food purchased with 3SquaresVT benefits?

Answer: No. However, 7 CFR 273.3(a) allows for *duplicate* benefits to be provided to an individual who is a resident of a shelter for battered persons, and was a member of a household containing the person who had abused him or her.

Procedure

1. Determine the date of the misfortune. The household must report the loss within 10 days of the household misfortune. For power outages the 10 days starts from the day power is restored.
2. Provide the "Attestation of Loss and Request for Replacement of 3SquaresVT Benefits (Form 271)" to the household. This form must be signed and completed by the household, and returned to ESD within 10 days of reporting the loss. If the 10th day falls on a weekend or holiday, and the completed form is received the day after the weekend or holiday, it will be considered as having been submitted timely.
3. Upon receiving a completed and timely 271, ESD must verify that the destruction of food occurred as a result of a household misfortune. This verification can be obtained through a collateral contact, documentation from a community agency (such as, but not limited to, the fire department or Red Cross), or a home visit. This verification should be documented in CATN.
4. Check ELIG/D/FS to determine the benefit amount. Use the "month to date paid" amount as the allowable total for replacement.

INTERPRETIVE MEMO

3SVT Rule Interpretation

Procedural Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

Facing page 273.17 **Date of this memo** January 27, 2015 **Pages** 3 of 3

This memo: **is new** **Replaces one dated** _____

5. Send an email to COPS and cc AOPS to request replacement. COPS are the only ones who can issue these replacements. Please be sure to include all of the following information:
 - Case name
 - Case number
 - Type of household misfortune and date of the loss
 - Date power was restored to the home if that is part of the issue
 - Date the completed 271 was received by ESD
 - Month for which they are requesting replacement
 - \$ amount of the requested replacement
6. Any questionable situations will be reviewed by AOPS.
7. COPS will issue the replacement.
8. Case Note (CATN) will be entered with details and outcome of request.

Restoration of Lost Benefits

273.17 Restoration of Lost Benefits (01/01/1990, 89-56)

a. Entitlement

1. The State agency shall restore to the household benefits which were lost whenever the loss was caused by an error by the State agency, or by an administrative disqualification for intentional program violation which was subsequently reversed as specified in paragraph (e) of this section, or if there is a statement elsewhere in the regulations specifically stating that the household is entitled to restoration of lost benefits. Furthermore, unless there is a statement elsewhere in the regulations that a household is entitled to lost benefits for a longer period, benefits shall be restored for not more than 12 months prior to whichever of the following occurred first:
 - i The date the State agency receives a request for restoration from a household; or
 - ii The date the State agency is notified or otherwise discovers that a loss to a household has occurred.
2. The State agency shall restore to households benefits which were found by any judicial action to have been wrongfully withheld. If the judicial action is the first action the recipient has taken to obtain restoration of lost benefits, then benefits shall be restored for a period of not more than 12 months from the date the court action was initiated. When the judicial action is a review of a State agency action, the benefits shall be restored for a period of not more than 12 months from the first of the following dates:
 - i The date the State agency receives a request for restoration;
 - ii If no request for restoration is received, the date the fair hearing action was initiated; but
 - iii Never more than one year from when the State agency is notified of, or discovers, the loss.
3. Benefits shall be restored even if the household is currently ineligible.

b. Errors Discovered by the State Agency

If the State agency determines that a loss of benefits has occurred, and the household is entitled to restoration of those benefits, the State agency shall automatically take action to restore any benefits that were lost. No action by the household is necessary. However, benefits shall not be restored if the benefits were lost more than 12 months prior to the month the loss was discovered by the State agency in the normal course of business, or were lost more than 12 months prior to the month the State agency was notified in writing or orally of a possible loss to a specific household. The State agency shall notify the household of its entitlement, the amount of benefits to be restored, any offsetting that was done, the method of restoration, and the right to appeal through the fair hearing process if the household disagrees with any aspect of the proposed lost benefit restoration.

c. Disputed Benefits

1. If the State agency determines that a household is entitled to restoration of lost benefits, but the household does not agree with the amount to be restored as calculated by the State agency or any other action taken by the State agency to restore lost benefits, the household may request a fair hearing within 90 days of the date the household is notified of its entitlement to restoration of lost benefits. If a fair hearing is requested prior to or during the time lost benefits are being restored, the household shall receive the lost benefits as determined by the

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State agency pending the results of the fair hearing. If the fair hearing decision is favorable to the household, the State agency shall restore the lost benefits in accordance with that decision.

2. If a household believes it is entitled to restoration of lost benefits but the State agency, after reviewing the case file, does not agree, the household has 90 days from the date of the State agency determination to request a fair hearing. The State agency shall restore lost benefits to the household only if the fair hearing decision is favorable to the household. Benefits lost more than 12 months prior to the date the State agency was initially informed of the household's possible entitlement to lost benefits shall not be restored.

d. Computing The Amount To be Restored

After correcting the loss for future months and excluding those months for which benefits may have been lost prior to the 12 month time limits described in paragraphs (b) and (c) of this section, the State agency shall calculate the amount to be restored as follows:

1. If the household was eligible but received an incorrect allotment, the loss of benefits shall be calculated only for those months the household participated. If the loss was caused by an incorrect delay, denial, or termination of benefits, the months affected by the loss shall be calculated as follows:
 - i If an eligible household's application was erroneously denied, the month the loss initially occurred shall be the month of application, or for an eligible household filing a timely reapplication, the month following the expiration of its certification period.
 - ii If an eligible household's application was delayed, the months for which benefits may be lost shall be calculated in accordance with procedures in 273.2(h).
 - iii If a household's benefits were erroneously terminated, the month the loss initially occurred shall be the first month benefits were not received as a result of the erroneous action.
 - iv After computing the date the loss initially occurred, the loss shall be calculated for each month subsequent to that date until either the first month the error is corrected or the first month the household is found ineligible.
2. For each month affected by the loss, the State agency shall determine if the household was actually eligible. In cases where there is no information in the household's case file to document that the household was actually eligible, the State agency shall advise the household of what information must be provided to determine eligibility for these months. For each month the household cannot provide the necessary information to demonstrate its eligibility, the household shall be considered ineligible.
3. For the months the household was eligible, the State agency shall calculate the allotment the household should have received. If the household received a smaller allotment than it was eligible to receive, the difference between the actual and correct allotments equals the amount to be restored.
4. If a claim against a household is unpaid or held in suspense as provided in §273.18, the amount to be restored shall be offset against the amount due on the claim before the balance, if any, is restored to the household. At the point in time when the household is certified and receives an initial allotment, the initial allotment shall not be reduced to offset claims, even if the initial allotment is paid retroactively.

e. Lost Benefits to Individuals Disqualified For Intentional Program Violation

Restoration of Lost Benefits

Individuals disqualified for intentional program violation are entitled to restoration of any benefits lost during the months they were disqualified not to exceed 12 months prior to the date of State agency notification, only if the decision which resulted in disqualification is subsequently reversed. For example, an individual would not be entitled to restoration of lost benefits for the period of disqualification based solely on the fact that a criminal conviction could not be obtained, unless the individual successfully challenged the disqualification period imposed by an administrative disqualification in a separate court action. For each month the individual was disqualified, not to exceed 12 months prior to State agency notification, the amount to be restored, if any, shall be determined by comparing the allotment the household received with the allotment the household would have received had the disqualified member been allowed to participate. If the household received a smaller allotment than it should have received, the difference equals the amount to be restored. Participation in an administrative disqualification hearing in which the household contests the State agency assertion of intentional program violation shall be considered notification that the household is requesting restored benefits.

f. Method of Restoration

Regardless of whether a household is currently eligible or ineligible, the State agency shall restore lost benefits to a household by issuing an allotment equal to the amount of benefits that were lost. The amount restored shall be issued in addition to the allotment currently eligible households are entitled to receive. The State agency shall honor reasonable requests by households to restore lost benefits in monthly installments if, for example, the household fears the excess coupons may be stolen, or that the amount to be restored is more than it can use in a reasonable period of time.

VERMONT: Restoration for Cash Out households shall be by food stamp check.

g. Changes in household composition

Whenever lost benefits are due a household and the household's membership has changed, the State agency shall restore the lost benefits to the household containing a majority of the individuals who were household members at the time the loss occurred. If the State agency cannot locate or determine the household which contains a majority of household members the State agency shall restore the lost benefits to the household containing the head of the household at the time the loss occurred.

h. Accounting procedures

Each State agency shall be responsible for maintaining an accounting system for documenting a household's entitlement to restoration of lost benefits and for recording the balance of lost benefits that must be re-stored to the household. Each State agency shall at a minimum, document how the amount to be restored was calculated and the reason lost benefits must be re-stored. The accounting system shall be designed to readily identify those situations where a claim against a household can be used to offset the amount to be restored.

Claims Against Households

273.18 Claims Against Households (07/01/2002, 02-08)

a. General

A recipient claim is an amount owed because of benefits that are overpaid or trafficked. Trafficking is defined in 271.2. The claim is a federal debt that must be established and collected in accordance with these rules and other federal regulations governing federal debts.

The following individuals are responsible for paying a claim:

- each person who was an adult member of the household when the overpayment or trafficking occurred;
- a sponsor of an alien household member, if the sponsor is at fault; or
- a person connected to the household, such as an authorized representative, who actually trafficks or otherwise causes an overpayment or trafficking.

b. Types of Claims

There are three types of Claims

1. An intentional program violation (IPV) claim is any claim for an overpayment or trafficking resulting from an individual committing an IPV. An IPV is defined in 273.16.
2. An inadvertent household error (IHE) claim is any claim for an overpayment resulting from a misunderstanding or unintended error on the part of the household. Instances of IHE error that may result in a claim include, but are not limited to, the following:
 - The household unintentionally failed to provide the department with correct or complete information.
 - The household unintentionally failed to report to the department changes in household circumstances.
 - The household unintentionally received benefits or more benefits than it was entitled to receive pending a fair hearing decision because the household requested a continuation of benefits based on the mistaken belief that it was entitled to such benefits.
 - The household was receiving food stamps solely because of categorical eligibility and the household was subsequently determined ineligible for Reach Up or SSI/AABD at the time it received it.
3. An agency error (AE) claim is any claim for an overpayment caused by the department's action or failure to take action. Instances of administrative error that may result in a claim include, but are not limited to, the following:
 - The department failed to take prompt action on a change reported by the household.
 - The department incorrectly computed the household's income or deductions, or otherwise assigned an incorrect allotment.
 - The department continued to provide a household food stamp allotments after its certification period had expired without benefit of a reapplication determination.
 - The department failed to provide a household a reduced level of food stamp benefits because its Reach Up grant changed.

Claims Against Households

- The department took an action or failed to take an appropriate action, which resulted in the household improperly receiving Reach Up.

c. Calculating the Claim Amount

For each month that a household received an overpayment of food stamp benefits for any type of claim, the department must determine the correct amount of food stamp benefits, if any, the household was entitled to receive.

1. Claims Not Related to Trafficking

For AE and IHE claims, the department must calculate the correct amount of food stamp benefits the household was entitled to receive back to at least 12 months prior to the date when the department became aware of the overpayment. IPV claims must be calculated back to the month the violation first occurred. The date the department first becomes aware of a potential overpayment is the date when department staff receive information of a potential claim from the recipient, a quality control error, a change report, or unverified discrepant information, such as a computer match.

Overpayments that occurred more than six years before the department became aware of them shall not be included in the calculation of the claim.

The steps for calculating a claim are as follows.

- A The correct amount of benefits for each month that a household received an overpayment must be determined.
- B If the claim is an AE claim, the earned income deduction shall be applied. For all other claims, the earned income deduction shall not be applied to any part of the earned income that the household failed to report in a timely manner when the failure to report is the basis for the claim.
- C The actual financial assistance (either Reach Up or ANFC) received during the month, even if incorrect, is the amount used to recalculate the benefit. When it is determined that financial assistance was underpaid, due to information not reported, not acted upon, or acted upon incorrectly, and the underpayment resulted in a higher food stamp benefit payment, no action should be taken unless there was also an error in the calculation of the food stamp benefit.

If the food stamp benefit has been underpaid, the benefit should be adjusted upward and the increase should be paid to the household, in accordance with 273.17b.

If the food stamp benefit has been overpaid, the benefit should be adjusted downward and a claim against the household should be established.
- D The correct amount of benefits must be subtracted from the benefits actually received. The difference is the amount of the overpayment. If this difference is zero or a negative number, the claim referral should be dismissed.
- E If there are any unused EBT benefits expunged from the household's EBT benefit account, the overpayment amount should be reduced in accordance with the department's procedures. If there are no known expunged benefits, then the amount of the overpayment calculated above in paragraph (D) of this section is the amount of the claim.

Claims Against Households

- F When a food stamp case is closed due to recently reported excess income and the recipient refuses to cooperate and provide information about how long the recipient has been receiving excess income, the claim should be calculated as follows:
- If the income is from sources previously verified, the claim should be calculated back to the month following the month of verification or 12 months preceding the date the department first became aware of the potential overpayment, whichever period is shorter.
 - If the income is from a source not previously verified, the claim should be calculated back to the date of certification or recertification or 12 months preceding the date the department first became aware of the potential overpayment, whichever period is shorter.
 - In cases where available information provides a more accurate calculation of the receipt of excess income, the claim should be calculated using that information.

If the claim is not paid and the recipient is found eligible at a later date within three years of the date the initial collection action was suspended, the amount should be collected. If the household asserts at the time of the renewed collection that the claim estimate is excessive, the household must provide the missing information needed to calculate an accurate claim.

2. Trafficking-Related Claims

Claims arising from trafficking-related offenses will be the value of the trafficked benefits as determined by:

- the individual's admission,
- adjudication, or
- the documentation that forms the basis for the trafficking determination.

d. Claim Referral Management

Claim referrals shall be managed using the following processing standards:

- For claims not involving a potential intentional program violation, the claim should be established within 180 days of the date of discovery.
- For claims involving a potential intentional program violation, a referral for fraud investigation should be made within 60 days of the date of discovery.

Once the claim has been referred for an investigation, claims not involving a referral to the appropriate state's attorney or assistant attorney general for prosecution or to an administrative disqualification hearing (ADH) should be established within 180 days.

Claims involving a referral for prosecution or to an ADH should be established, if appropriate, within 30 days of the date of resolution of the referral for prosecution or ADH.

Claims under investigation by the fraud unit or referred to the state's attorney for prosecution shall not be pursued while the investigation or prosecution is pending.

Claims not referred for prosecution after completion of the investigation shall be pursued for collection. The fraud chief will send a memo to the district advising of the status of the case referred for investigation and when it is appropriate to begin collection.

Claims Against Households

The date of discovery of a claim is the date that district or claims unit staff determines there is foundation for a claim and the department considers it is more likely than not that an overpayment has occurred.

e. Initiating Collection Action and Managing Claims

1. Applicability

Collection action on all claims must begin unless the claim is being collected from an EBT account in accordance with 273.18f 2.

2. Cost Effectiveness Determination Prior to Establishing a Claims

The department shall not establish any claim for \$125 or less for households not currently participating in the Food Stamp Program, unless the claim has already been established or, as required by federal regulations, the overpayment is discovered in a quality control review.

The department shall establish claims for \$125 or less against a household currently participating in the program.

The department may develop additional cost-effectiveness criteria, subject to approval by FNS.

3. Notification of Claim

The claim will be considered established for tracking purposes as of the date of the initial demand letter or written notification.

- i Written notice must be mailed or otherwise delivered to the household to begin collection action on any claim.
- ii If the claim or the amount of the claim was not established at a hearing, the household must be provided with a one-time notice of adverse action. The notice of adverse action may be sent either separately or as part of the demand letter.
- iii The initial demand letter or notice of adverse action must include language stating:
 - A. the amount of the claim;
 - B. the department's intent to collect from all adults in the household when the overpayment occurred;
 - C. the type of claim (IPV, IHE, AE or similar language) and reason for it;
 - D. the time period associated with the claim;
 - E. the manner in which the claim was calculated;
 - F. the phone number to call for more information about the claim;
 - G. the department's intent to send the claim to other collection agencies with various collection methods, if the claim is not paid;
 - H. the household's right to inspect and copy records related to the claim;
 - I. the household's right to a fair hearing on the decision related to the claim, if requested within 90 days, unless the amount of the claim was established at a hearing;

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.18e Date of this Memo 10/01/2005 Page 1 of 1

This Memo: is New Replaces one dated _____

Effective immediately, any food stamp household with an overpayment claim due to agency error or inadvertent household error has a right to make a written request to the department to compromise (reduce) the total amount of the overpayment. The department will make the determination to compromise a claim based on criteria approved by the Food and Nutrition Service as included in Vermont's Food Stamp Claims Plan dated May 27, 2005.

The department will not compromise overpayment claims that result from a household's intentional program violation, nor from a household's receipt of continuing benefits pending the outcome of a fair hearing in which the household did not prevail.

Claims that are compromised will remain compromised even if payment becomes delinquent. No subsequent compromise of any specific claim will be allowed. However, households may renegotiate payment agreements on compromised claims to ensure the food security of the household.

Instructions for how to compromise claims are detailed in the Food Stamp Procedures Manual.

Apply this rule to all requests for claims compromise made on or after October 1, 2005. For cases that are pending a decision on a fair hearing requested before October 1, 2005, the department may apply the new compromise criteria; except that the value of continuing benefits received in those cases, even when the ultimate decision upholds the department, may be included in the overall amount considered for compromise.

Claims Against Households

- J. the department's intent to refer unpaid claims to the federal government for collection action;
 - K. the household's option of making a written agreement to repay the amount of the claim prior to referral for federal collection action;
 - L. the household's liability for payment of additional processing charges resulting from a delinquent claim;
 - M. the option of reducing or waiving the claim if the department believes that the household is not able to repay the claim;
 - N. a due date or time frame either to repay or to make arrangements to repay the claim, unless allotment reduction is to be imposed;
 - O. the allotment reduction percentage to be used and its effective date, if applicable; and.
 - P. the availability of free legal assistance.
- iv iv. The due date or time frame for repayment must be no later than 30 days after the date of the initial written notification or demand letter.
- v Subsequent demand letters or notices shall be sent pursuant to department procedures.

4. Repayment Agreements

Any repayment agreement for any claim must contain due dates or time frames for the periodic submission of payments. The agreement must specify that the household will be subject to involuntary collection action if payment is not received by the due date and the claim becomes delinquent.

5. Determining Delinquency

A claim shall be considered delinquent if one of the following conditions is met.

- The claim has not been paid by the due date, and a satisfactory payment arrangement has not been made. The date of delinquency is the due date on the initial written notification or demand letter. The claim will remain delinquent until payment is received in full, a satisfactory payment agreement is negotiated, or allotment reduction is invoked.
- A payment arrangement has been established, and a scheduled payment has not been made by the due date. The date of delinquency is the due date of the missed installment payment. The claim will remain delinquent until payment is received in full, allotment reduction is invoked, or the department decides to either resume or renegotiate the repayment schedule.

A claim will not be considered delinquent, however, if another claim for the same household is currently being paid through an installment agreement or allotment reduction and the department expects to begin collection on the claim once the prior claim is settled.

A claim is not subject to the requirements for delinquent debts if the delinquency status cannot be determined because collection is coordinated through the court system.

6. Fair Hearings and Claims

A claim awaiting a fair hearing decision shall not be considered delinquent.

Claims Against Households

If the hearing official determines that a claim does, in fact, exist against the household, the household must be notified of the claim again. The demand for payment may be combined with the notice of the hearing decision. Delinquency must be based on the due date of this hearing. If the hearing official determines that a claim does not exist, the claim is terminated in accordance with paragraph (e)(8) of this section.

7. Compromising Claims

The department may choose to compromise (reduce or eliminate) a claim or any portion of a claim if it can be reasonably determined that a household's economic circumstances dictate that the claim will not be paid in three years. The full amount of the claim (including any amount compromised) may be used to offset benefits in accordance with 273.17. If the claim becomes delinquent, the department may reinstate any compromised portion of the claim.

8. Terminating and Writing-off Claims

A terminated claim is a claim for which all collection action has ceased. A written-off claim is a terminated claim no longer considered subject to continued federal and state agency collection and reporting requirements.

A terminated claim the department finds was established in error must be dismissed, and the event should be reflected as a balance adjustment rather than a termination, unless it is appropriate to pursue the overpayment as a different type of claim (e.g., as an IHE rather than an IPV claim).

The department shall terminate and write off claims according to the following rules:

- A A claim must be terminated and written off if all adult household members die, unless the department decides to pursue the claim against the estate.
- B A claim delinquent for 90 days or more with a balance of \$25 or less shall be terminated and written off, unless there are other claims against the household resulting in an aggregate claim total of greater than \$25.
- C A claim not cost-effective to pursue, as determined by the department and approved by FNS, in accordance with 273.18e.2, must be terminated and written off.
- D A claim delinquent for three years or more must be terminated and written off unless it is a claim to be pursued through Treasury's Offset Program.
- E A claim may be terminated and written off if the household cannot be located.
- F A terminated and written-off claim may be reinstated if a new collection method or a specific event (such as winning the lottery) substantially increases the likelihood of further collections.

f. Collection Methods

The department shall collect claims by the following methods.

1. Allotment Reduction

For households receiving food stamp benefits, the department shall collect claims by reducing their monthly allotments. Such allotment reductions must be made in accordance with the following requirements:

Claims Against Households

- i Payments for any claim must be automatically collected by reducing the amount of monthly benefits a household receives, unless the claim is being collected at regular intervals at a higher amount or another household is already having its allotment reduced for the same claim.
- ii If the claim is an IPV claim, the amount reduced is limited to the greater of \$20 per month or 20 percent of the household's monthly allotment, unless the household agrees to a higher amount.
- iii If the claim is an IHE or AE claim, the amount reduced is limited to the greater of \$10 per month or 10 percent of the household's monthly allotment, unless the household agrees to a higher amount.
- iv The initial allotment made when the household is first certified must not be reduced unless the household agrees to this reduction.
- v Additional involuntary collection methods against individuals in a household already having its benefit reduced must not be used unless the additional payment is voluntary or the source of the payment is irregular and unexpected, such as a state tax refund or lottery winnings offset.

Allotment reduction collections from two separate households for the same claim may be made but are not required. Other collection methods against any individual who is not a current member of the household undergoing allotment reduction may be pursued. Total collections from two separate households for the same claim will not exceed the total amount of the claim.

2. Benefits From EBT Accounts

- i A household shall be allowed to pay its claim using benefits from its EBT benefit account.
- ii EBT benefit claims collection and adjustment must meet the following requirements.
 - A. To collect from active or reactivated EBT benefits, the department must:
 - obtain written permission in accordance with paragraph f 2iii of this section; or
 - obtain oral permission, if the collection is a one-time reduction, and provide the household with a receipt of the transaction within 10 days.
 - B. To collect from stale EBT benefits, the department must:
 - provide written notification to the household of the intent to apply the benefits to the outstanding claim; and
 - give the household at least 10 days to notify the department that it does not want to have the benefits applied to the outstanding claim.
 - C. To make an adjustment to a claim with expunged EBT benefits, the department must subtract the amount of any EBT benefits expunged from the claim amount. This can be done at any time.
- iii Any written agreement with the household to collect a claim using active EBT benefits must be obtained in advance of such collection and include:

Claims Against Households

- A. a statement that the collection activity is strictly voluntary;
- B. the amount of the payment;
- C. the frequency of the payments (e.g., whether monthly or one-time only);
- D. the length of the agreement; and
- E. a statement that the household may revoke the agreement at any time.

3. Offsets to Restored Benefits

Restored benefits owed to a household must be reduced by the amount of any outstanding claim. This may be done at any time during the claim establishment and collection process.

4. Lump-Sum Payments

Both full and partial payments for a claim must be accepted. The payment may be in cash or any of its generally acceptable equivalents, such as check or money order. The department shall also accept paper food coupons. Payments may be made by credit or debit cards, provided the department is able to process them.

5. Installment Payments

Installment payments made for a claim as part of a negotiated repayment agreement may be accepted. The payment may be in cash or any of its generally acceptable equivalents, such as check or money order. The department shall also accept paper food coupons. Payments may be made by credit or debit cards, provided the department is able to process them.

If a household fails to submit a payment in accordance with the terms of the negotiated repayment schedule, the claim becomes delinquent and subject to additional collection actions.

6. Intercept of Unemployment Compensation Benefits

Intercept of Unemployment Compensation Benefits The department may intercept an individual's unemployment compensation benefits for the collection of any claim, if the individual agrees. This collection option may be included as part of a repayment agreement.

The department may also intercept an individual's unemployment compensation benefits by obtaining a court order.

7. Public Service

If authorized by a District court, the household may pay the value of a criminally prosecuted claim by performing public service. The applicable value of such court-authorized public service shall be based on the prevailing Vermont minimum hourly wage, unless otherwise specified by the court.

8. Other Collection Actions

Other actions that may be used to collect claims include, but are not limited to, referrals to collection agencies or other similar private and public sector agencies, state tax refund and lottery offsets, and referral to small-claims court or the Treasury's Offset Programs (TOP).

Prior to instituting other allowable collection actions under this subsection that may not be cost-effective because of the household's limited assets and the costs associated with the collection action, the department shall develop criteria for determining cost-effectiveness, which may be subject to approval by FNS.

Claims Against Households

g. Unspecified Joint Collections

A joint collection is money received in response to an effort to collect a combined claim for the Food Stamp Program and one or more other programs. In an unspecified joint collection, the debtor does not specify to which program to apply the collection. In this case, each program must receive its pro rata share of the collection based on its pro rata share of the combined claim.

h. Refunds for Overpaid Claims

If a household overpays a claim, the department must provide a refund for the overpaid amount as soon as possible but no later than within 30 days after the overpayment is discovered. The department shall determine the appropriate method of refund. A household is not entitled to a refund if the overpaid amount is attributed to expunged EBT benefit.

i. Interstate Claims Collection

The department is responsible for initiating and continuing collection action on any food stamp recipient claim. Unless another state has accepted the claim, the department remains responsible even if the household moves out-of-state.

A claim may be accepted from an agency in another state if the household with the claim moves into Vermont. Once the PATH department accepts the claim, it is responsible for future collection and reporting.

j. Bankruptcy

The department may act on behalf of the FNS in any bankruptcy proceeding against a bankrupt household with outstanding recipient claims.

k. Treasury's Offset Programs (TOP)

The Federal Treasury Offset Program (TOP) intercepts federal payments that are to be made to individuals with delinquent claims. The sources for these offsets are primarily federal income tax refunds and federal salaries.

1. Referring Debts to TOP

- i All recipient claims delinquent, in accordance with 273.18e 5, for 180 or more days must be referred to TOP.
- ii All claims referred to TOP must be certified as 180 days delinquent and legally enforceable.
- iii A claim should not be referred to TOP if:
 - A. the debtor is a member of a participating household having its allotment reduced to collect the claim; or
 - B. the claim falls into any other category designated by FNS as nonreferable to TOP, such as claims 10 years old or older, claims for less than the minimum \$25 amount, and claims for which collection is barred by bankruptcy.

2. Notifying Debtors of Referral to TOP

- i The debtor must be notified of the impending referral to TOP according to FNS instructions relating to:

Claims Against Households

- A. adequate address to send the notice;
 - B. specific language to be included in the TOP referral notice; and
 - C. the appropriate time frames and appeal rights.
 - D. any other legal information that FNS determines necessary to fulfill all due process and other legal requirements as well as to adequately inform the debtor of the impending case.
- ii FNS instructions must be followed regarding procedures connected with responding to inquiries, subsequent reviews and hearings, and any other procedures determined by FNS as necessary in the debtor notification process.

3. Effect on Debtors

Any eligible federal payment owed to debtors whose claims are referred to TOP may be intercepted through TOP. Debtors may be responsible for paying any collection or processing fees charged by the federal government to intercept their payment.

4. Removing a Claim From TOP

A claim must be removed from TOP if:

- A FNS or Treasury instruct that the debt be removed; or
- B any of the following circumstances are discovered:
 - 1. the debtor is a member of a food stamp household undergoing allotment reduction;
 - 2. the claim is paid up;
 - 3. the claim is disposed of through a hearing, termination, compromise, or any other means;
 - 4. the claim was referred to TOP in error; or
 - 5. the debtor makes an arrangement with the department to resume payments.

SSI cash-out States - Not applicable in Vermont.

273.20 SSI cash-out States - Not applicable in Vermont. (1980, 80-8)

Monthly Reporting and Retrospective Budgeting (MRRB)

273.21 Monthly Reporting and Retrospective Budgeting (MRRB) (07/01/1994, 94-12)

a. System Design

VERMONT: the State Agency chooses not to require any household to participate in the Monthly Reporting and Retrospective Budgeting (MRRB) system.

INTERPRETIVE MEMO

Food Stamp Rule Interpretation

Food Stamp Procedure Interpretation

This interpretive memo remains effective statewide until it is specifically superseded—either by a subsequent interpretive memo or by a contradictory rule with a later date.

Reference 273.22 Date of this Memo 01/01/2009 Page 1 of 1

This Memo: is New Replaces one dated _____

Eligibility Expansion and Administrative Simplification

As allowed under federal SNAP rules, the department exercises an option to further expand categorical eligibility rules for Non-Public Assistance (NPA) households, effective January 1, 2009. NPA households are subject to a gross income test of 185% of the federal poverty level (FPL) and their asset test is eliminated. Receipt of the AHS Screen Door informational bookmark (produced under a cost allocation plan that includes partial funding from the TANF block grant) confers categorical eligibility.

This program expansion will relieve clients of the burden of providing asset information and verifications for 3SquaresVT, the renamed Food Stamp Program. DCF staff will no longer have to request and review asset verifications or explore asset-related matches for these households. This change will increase participation in the program by working families, seniors, and people with disabilities who may have had income above 130% FPL in the past. Additionally, it will save case processing time and reduce quality control errors.

Clients applying for other benefit programs or receiving other benefits in addition to 3SquaresVT are still required to follow those programs' requirements about asset limits and reporting and verifying asset information. Such requests for information and verification should not affect or delay determination of 3SquaresVT eligibility for categorically eligible households.

Exceptions to this new categorical eligibility are households in which the entire household is disqualified because one or more of its members failed to comply with the ABAWD work-for-benefits component in accordance with 273.22, or the entire household is institutionalized, or any member of the household is disqualified for an intentional program violation in accordance with 273.16, or the head of household is disqualified for failure to comply with 3SquaresVT work requirements, in accordance with 273.7.

A household with income greater than 185% of FPL, that contains any member over age 60 or any person with a disability, and that does not meet any other categorical eligibility rule, will not be eligible for expanded categorical eligibility. Such households must not have assets greater than \$3,000. In these situations, the worker must request asset information and appropriate verifications to determine eligibility.

Optional Workfare Program

273.22 Optional Workfare Program (02/01/1989, 88-63)

a. General

This section contains rules which are to be followed in operating a Food Stamp Workfare Program. Under this program, nonexempt Food Stamp recipients may be required to perform work in a public service capacity as a condition of eligibility to receive the coupon allotment to which their household is normally entitled. The primary goal of workfare is to improve employability and enable individuals to move into regular employment.

b. Program Administration

1. A Food Stamp workfare program may be operated as part of a State's employment and training program required in 273.7(f) or may be operated independent of such a program. If the workfare program is part of the State's employment and training program it shall be included as a component in the State's employment and training plan in accordance with the requirements of 273.7(c). If it is operated independent of the E program, the State must submit a workfare plan to FNS for its approval in accordance with the requirements of this section. For the purpose of this section, a political subdivision is any local government, including, but not limited to, any county, city, town or parish. A State agency may implement a workfare program statewide or in only some areas of the State. The areas of operation must be identified in the State workfare or employment and training plan.
2. Political subdivisions are encouraged, but not required, to submit their plans to FNS through their respective State agencies. At a minimum, however, plans shall be submitted to the State agencies concurrent with their submission to FNS. Workfare plans and subsequent amendments shall not be implemented prior to their approval by FNS.
3. When a State agency chooses to sponsor a workfare program by submitting a plan to FNS, it shall incorporate the approved plan into its State Plan of Operations. When a political subdivision chooses to sponsor a workfare program by submitting a plan to FNS, the State agency shall be responsible as a facilitator in the administration of the program by disbursing Federal funding and meeting the requirements identified in paragraph (d) of this section. Upon notification that FNS has approved a workfare plan submitted by a political subdivision in its State, the State agency shall append that political subdivision's workfare plan to its own State Plan of Operations.
4. The operating agency is that administrative organization which has been identified in the workfare plan as being responsible for establishing job sites, assigning eligible recipients to the job sites, and meeting the requirements of this section. The operating agency may be any public or private, nonprofit organization. The State agency or political subdivision which submitted the workfare plan shall be responsible for monitoring the operating agency's compliance with the requirements of this section or of the workfare plan. The Secretary may suspend or terminate some or all workfare program funding or withdraw approval of the workfare program from the State agency or political subdivision which submitted the workfare plan upon finding that that State agency or political subdivision, or their respective operating agencies have failed to comply with the requirements of this section or of the workfare plan.
5. State agencies or other political subdivisions shall describe in detail in the plan how the political subdivision, working with the State agency and any other cooperating agencies that may be involved in the program, shall fulfill the provisions of this section. The plan shall include workload projections, staffing plans, interagency communication plans, and specific operational agreements developed by the agencies involved. The plan shall be a one time

Optional Workfare Program

submittal, with amendments submitted as needed to cover any changes in the workfare program as they occur.

6. State agencies or political subdivisions submitting a workfare plan shall submit with the plan an operating budget covering the period from the initiation of the workfare program's implementation schedule to the close of the Federal fiscal year. In addition, an estimate of the cost for one full year of operation shall be submitted together with the workfare plan. For subsequent fiscal years, the workfare program budget shall be included in the State agency's budget.
7. If workfare plans are submitted by more than one political subdivision, each representing the same population (such as a city within a county), the Department shall determine which political subdivision will have its plan approved. Under no circumstances shall a Food Stamp recipient be subject to more than one Food Stamp workfare program. If a political subdivision chooses to operate a workfare program and represents a population which is already, at least in part, subject to a Food Stamp workfare program administered by another political subdivision, it must establish in its workfare plan how Food Stamp recipients will not be subject to more than one Food Stamp workfare program.

c. Operating Agency Responsibilities

1. The operating agency, as designated by the State agency or other political subdivision which submits a plan, shall be responsible for establishing and monitoring job sites, interviewing and assessing eligible recipients, assigning eligible recipients to appropriate job sites, monitoring participant compliance, making initial determinations of good cause for household noncompliance, and otherwise meeting the requirements of this section.

2. Establishment of Job Sites

Workfare job slots may only be located in public or private, nonprofit agencies. Contractual agreements must be established between the operating agency and organizations providing jobs which include but are not limited to designation of the slots available and designation of responsibility for provision of benefits, if any are required, to the workfare participant.

3. Notifying State Agency of Noncompliance

The operating agency shall notify the State agency of noncompliance by a household with a workfare obligation when it has determined that the household did not have good cause for the non compliance. This notification shall occur within five days of such determination so that the State agency may make a final determination as provided in paragraph (d)(4) of this section.

4. Notifications

Notices shall be established to be used as follows:

- i For the State agency to notify the operating agency of workfare eligible households. Included in this notice shall be the case name, case number, names of workfare eligible household members, address of the household, certification period, and indication of any part time work. If the State agency is calculating the hours of obligation, this shall also be included in this notice. If the operating agency is computing the hours to be worked, the monthly allotment shall be included.
- ii For operating agencies to notify the workfare participant of where and when the participant is to report, to whom the participant is to report, a brief description of duties for the particular placement, and the number of hours to be worked.

Optional Workfare Program

- iii For operating agencies to notify the State agency of failure by a household to meet its workfare obligation.

5. Recordkeeping Requirements

- i Files must be maintained which record activity by workfare participants. At a minimum, these records must contain job sites and hours assigned, hours completed, and communications with the State agency and job sites.
- ii Program records shall be maintained in an orderly fashion, for audit and review purposes, for a period of three years from the month of origin of each record. Fiscal records and accountable documents shall be retained for three years from the date of fiscal or administrative closure of the workfare program. Fiscal closure, as used in this paragraph, means that workfare program obligations for or against the Federal government have been liquidated. Administrative closure, as used in this paragraph, means that the operating agency or Federal government has determined and documented that no further action to liquidate the workfare program obligation is appropriate. Fiscal records and accountable records shall be kept in a manner which will permit verification of direct monthly reimbursements to recipients, in accordance with paragraph (f)(4) of this section.

6. Reporting Requirements

The operating agency shall be responsible for providing information needed by the State agency to fulfill the reporting requirements stated in paragraph (d)(6) of this section.

7. Disclosure

The provisions of §272.1(c) restricting the use and disclosure of information obtained from Food Stamp households shall be applicable to the administration of the workfare program.

8. Grievance procedures

The operating agency may establish a system for handling complaints filed by workfare participants regarding their working conditions, perceived noncompliance by job sites with the provisions of this section, or any other area related to their workfare participation. This procedure need not handle complaints that can be pursued through a fair hearing nor may choosing not to use this procedure preclude a participant from requesting a fair hearing. If established, a description of this system shall be included in the workfare plan. Complaints which have not been resolved through this system and those against the operating agency shall be forwarded to the State agency and handled by the State agency according to the provisions of §271.6. Workfare participants shall be informed of the grievance procedure.

d. State Agency Responsibilities

- 1. If a political subdivision chooses to operate a workfare program, the State agency shall cooperate with the political subdivision in developing a plan. This includes providing caseload and cost estimates, as well as being available for consultation on the design of the administrative structure and interagency communications for the program. The State agency may decide what its workfare policy shall be in three areas. They are the definition of reimbursable expenses, the definition of good cause, and the sanctioning of members of divided households (paragraphs (f)(4), (f)(5), and (f)(6)(ii) of this section, respectively). The State agency may either accept the policies contained in these paragraphs or determine its own policies, subject to the requirements of Section 20 of the Food Stamp Act of 1977, as amended, and the approval of FNS. Until the Food and Nutrition Service approves any

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alternate policies of the State agency, the provisions of paragraphs (f)(4), (f)(5), and (f)(6)(ii) of this section shall apply.

2. The State agency shall determine at certification or recertification which household members are eligible for the workfare program and inform the household representative of the nature of the program and of the penalties for noncompliance. If the State agency is not the operating agency, each member of a household who is subject to workfare under paragraph (e)(1) of this section shall be referred to the organization which is the operating agency. The information identified in paragraph (c)(4)(i) of this section shall be forwarded to the operating agency within five days after the date of household certification. Computation of hours to be worked may be delegated to the operating agency.
3. The State agency shall inform the household and the operating agency of the effect of any changes in a household's circumstances on the household's workfare obligation. This includes changes in benefit levels or workfare eligibility.
4. Upon notification by the operating agency that a participant has failed to comply with the workfare requirement without good cause, the State agency shall make a final determination as to whether or not such failure occurred and whether there was good cause for any such failure. If the State agency determines that the participant did not have good cause for noncompliance, a sanction shall be processed as provided in paragraph (f)(6) of this section. The State agency shall immediately inform the operating agency of the months during which the sanction shall apply.
5. The State agency shall maintain in each household's casefile all workfare-related forms used by the State agency in meeting the requirements of this section.
6. The State agency shall submit quarterly reports to FNS within 45 days of the end of each quarter identifying for that quarter for that State:
 - i The number of households referred to the operating agency as containing workfare--eligible recipients. A household shall be counted as referred each time it is referred to the operating agency.
 - ii The number of households assigned to jobs each month by the operating agency.
 - iii The number of individuals assigned to jobs each month by the operating agency.
 - iv The total number of hours worked by participants.
 - v The number of households against which sanctions were applied. A household being sanctioned over two quarters should only be reported as sanctioned for the earlier quarter.
7. The State agency may, at its option, assume responsibility for monitoring all workfare programs in its State to assure that there is compliance with this section and with the plan submitted and approved by FNS. Should the State agency assume this responsibility, it would act as agent for FNS which is ultimately responsible for ensuring such compliance. Should the State agency determine that noncompliance exists, it may withhold funding until compliance is achieved or FNS directs otherwise. FNS shall be notified prior to the withholding of funds of the circumstances leading to that action. At a minimum, the State agency shall perform onsite reviews of each workfare program once within six months of the program's implementation and then in accordance with the Management Evaluation review schedule for that program area.

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e. Household Responsibilities

1. Persons Subject to Workfare

Household members subject to the work registration requirements as provided in §273.7(a) shall also be subject to the workfare requirements. In addition:

- i Those recipients exempt from work registration requirements due to being subject to the work incentive program (WIN) under Title IV of the Social Security Act shall be subject to workfare if they are currently involved less than 20 hours a week in WIN. Those recipients involved 20 hours a week or more may be subject to workfare at the option of the political subdivision.
- ii Those recipients exempt from work registration requirements due to the application for or receipt of unemployment compensation shall be subject to workfare requirements; and
- iii Those recipients exempt from work registration requirements due to being a parent or other household member responsible for the care of a dependent child between the ages of six and twelve shall be subject to workfare requirements. If the child has its sixth birthday within a certification period, the individual responsible for the care of the child shall be subject to the workfare requirement as part of the next scheduled recertification process, unless the individual qualifies for another exemption.

2. Household Obligation

The maximum total number of hours of work required of a household each month shall be determined by dividing the household's coupon allotment by the Federal or State minimum wage, whichever is higher. Fractions of hours of obligation may be rounded down. The household's hours of obligation for any given month may not be carried over into another month except when the household wishes to end a disqualification due to noncompliance with workfare in accordance with paragraph (f)(8) of this section.

f. Other Program Requirements

1. Priority Placements

The State agency or political subdivision submitting the plan shall indicate in the plan how it will determine priority for placement at job sites when the number of eligible participants is greater than the number of available positions at job sites.

2. Conditions of Employment

- i Recipients may be required to work up to, but not to exceed, 30 hours per week. In addition, the total number of hours worked by a recipient under workfare together with any other hours worked in any other compensated capacity, including hours of participation in a WIN training program, by such recipient on a regular or predictable part-time basis, shall not exceed 30 hours a week. With the recipient's consent, the hours to be worked may be scheduled in such a manner that more than 30 hours are worked in one week, as long as the total for that month does not exceed the weekly average of 30 hours a week.
- ii No participant shall be required to work more than eight hours on any given day, except that with the recipient's consent, more than eight hours may be scheduled.

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- iii No participant shall be required to accept an offer of workfare employment if such employment fails to meet the criteria established in §273.7(i)(1)(iii) and (iv); and §273.7(i)(2)(i), (ii), (iv), and (v).
- iv If the workfare participant is unable to report for job scheduling, to appear for scheduled workfare employment, or to complete the entire workfare obligation due to compliance with Unemployment Insurance requirements, the additional work requirements established in §273.7(e)(1), (2), (3), or (4), or the job search requirements established in §273.7(f), such inability shall not be considered a refusal to accept workfare employment. If the workfare participant informs the operating agency of the time conflict, the operating agency shall, if possible, re-schedule the missed activity. If such rescheduling cannot be completed before the end of the month, this shall not be cause for disqualification.
- v The operating agency shall assure that all persons employed in workfare jobs receive job-related benefits at the same levels and to the same extent as similar non-workfare employees. These shall be benefits related to the actual work being performed, such as workers' compensation, and not to the employment by a particular agency, such as health benefits. Of those benefits required to be offered, any elective benefit which requires a cash contribution by the participant shall be optional at the discretion of the participant.
- vi All persons employed in workfare jobs shall be assured by the operating agency of working conditions provided other employees similarly employed.
- vii The provisions of section 2(a)(3) of the Service Contract Act of 1965 (Public Law 89-286), relating to health and safety conditions, shall apply to the workfare program.
- viii Operating agencies shall not provide work to a workfare participant which has the effect of replacing or preventing the employment of an individual not participating in the workfare program. Vacancies, due to hiring freezes, terminations, or lay-offs, shall not be filled by a workfare participant unless it can be demonstrated that such vacancies are a result of insufficient funds to sustain former staff levels.
- ix The workfare jobs shall in no way infringe upon the promotional opportunities which would otherwise be available to regular employees.
- x Workfare jobs shall not be related in any way to political or partisan activities. .
- xi Workfare assignments should, to the greatest extent possible, take into consideration previous training, experience, and skills of a participant.
- xii The cost of workers' compensation or comparable protection provided to workfare participants by the State agency, political subdivision, or operating agency is a matchable cost under paragraph (g) of this section. Whether or not this coverage is provided, in no case is the Federal government the employer in these workfare programs (unless a Federal agency is the job site), and therefore, USDA does not assume liability for any injury to or death of a workfare participant while on the job
- xiii The nondiscrimination requirement provided in §272.6(a) shall apply to all agencies involved in the workfare program.

3. Job Search Period

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The operating agency may establish a job search period of up to 30 days following certification prior to making a workfare assignment during which the potential participant is expected to look for a job. This period may only be established at household certification, not at recertification. The potential participant would not be subject to any job search requirements beyond those required under §273.7 during this time.

4. Participant Reimbursement

Participants shall be reimbursed by the operating agency for transportation and other costs that are reasonably necessary and directly related to participation in the program. These other costs may include the cost of child care, or the cost of personal safety items or equipment required for performance of work if these items are also purchased by regular employees. These other costs shall not include the cost of meals away from home. No participant cost which has been reimbursed under a workfare program operated under Title IV of the Social Security Act or any other workfare program shall be reimbursed under the Food Stamp workfare program. Only reimbursement of participant costs which are up to but not in excess of \$25 per month for any participant will be subject to Federal cost sharing as provided in paragraph (g)(1) of this section. Child care costs which are reimbursed may not be claimed as expenses and used in calculating the child care deduction for determining household benefits. Pursuant to paragraph (d)(1) of this section, a State agency may decide what its reimbursement policy shall be.

5. Good Cause

For the purpose of this section, unless a State agency has determined its good cause policy pursuant to paragraph (d)(1) of this section, good cause shall include:

- i Circumstances beyond a household member's control such as, but not limited to: Illness; the illness or incapacitation of another household member requiring the presence of the workfare participant; a household emergency; or the lack of transportation when transportation is not provided by the operating agency;
- ii Necessity for a parent or other responsible household member to care for a child between the age of six and 12 because adequate child care is not otherwise available;
- iii Becoming exempt from the workfare eligibility requirements under the terms established in paragraph (e)(1) of this section.
- iv Household moving out of the area of the workfare project.
- v Instances where cost of transportation and other costs have exceeded \$25 per month and are not being reimbursed by the operating agency.

6. Failure to Comply

- i Where a workfare participant has been determined by the State agency to have failed or refused without good cause to comply with the requirements of this section, the entire household shall be ineligible to participate. Such ineligibility shall continue until either the household meets the provisions of paragraph (f)(8) of this section or for two consecutive months, whichever occurs earlier. Within 10 days after receiving notification of the household's failure to comply with the requirements of this section, the State agency shall, if it determines that there is not good cause for the noncompliance, provide the household with a notice of adverse action, as specified in §273.13. Such notification shall contain the proposed period of disqualification and shall specify

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the terms and conditions on which disqualification can be ended. Information shall also be included with the notification on the procedures and requirements contained in paragraph (f)(8) of this section. The disqualification period shall begin with the first month following the expiration of the adverse notice period, or following a fair hearing decision if a fair hearing is requested, in which the household would normally have received benefits. A household member shall not be required to perform work at a job site when the household is no longer receiving benefits unless the household has chosen to meet the conditions for ending disqualification specified in paragraph (f)(8) of this section. Until the disqualification is actually invoked, the household, if otherwise eligible, will continue to have a workfare obligation.

- ii Should a household have two or more consecutive months of noncompliance while being certified for Food Stamps, the total corresponding months of sanction shall be a cumulative total; that is, two months of noncompliance shall entail a four-month sanction. Should a household which has been determined to be noncompliant without good cause split into more than one household, the sanction shall follow all the members of the household at the time of the noncompliance. None of those household members shall be eligible to participate in the Food Stamp Program for the length of the sanction beginning at a point when the sanction can be placed against any one of them.
- iii If a sanctioned household member joins another Food Stamp household, that household's eligibility and benefit level shall be determined as follows:

- A. Income, Resources, and Deductible Expenses

The income and resources of the household member(s) disqualified for noncompliance with workfare shall count in their entirety, and the entire household's allowable earned income standard, medical, dependent care and excess shelter deductions shall apply to the remaining household members.

- B. Eligibility and Benefit Level

An individual disqualified for noncompliance with workfare shall not be included when determining the household's size for the purpose of assigning a benefit level to the household or of comparing the household's monthly income with income eligibility standards. The State agency shall ensure that no household's coupon allotment is increased as a result of the disqualification of one or more household members for workfare noncompliance.

7. Fair Hearings

Each household has a right to a fair hearing to appeal a denial or termination of benefits due to a State agency determination of failure to comply with the requirements of this section. The fair hearing requirements provided in 273.15 shall apply. If a fair hearing is scheduled, the operating agency shall be available to participate in the hearing. The State agency shall provide the operating agency sufficient advance notice to permit the attendance of an operating agency representative.

8. Ending Disqualification

Following the end of the two-month disqualification period for noncompliance with the workfare provisions of this section, a household may resume participation in the program if it applies again and is determined eligible. Eligibility may be re-established during a disqualification period and the household shall (if it makes application and is determined otherwise eligible) be permitted to resume participation if the member

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who failed to comply or any other workfare-eligible member of the household satisfies all outstanding workfare obligations. A workfare position shall be made available for a household which wishes to end disqualification in this manner.

9. Benefit Overissuance

If a benefit overissuance is discovered for a month or months in which a participant has already performed a workfare or work component requirement, the State agency shall follow claim recovery procedures specified below.

- i If the person who performed the work is still subject to a work obligation, the State shall determine how many extra hours were worked because of the improper benefit. The participant should be credited that number of hours toward future work obligations.
- ii If a workfare or work component requirement does not continue, the State agency shall determine whether the overissuance was the result of an intentional program violation, an inadvertent household error, or a State agency error. For an intentional program violation a claim should be established for the entire amount of the overissuance. If the overissuance was caused by an inadvertent household error or State agency error, the State agency shall determine whether the number of hours worked in workfare are more than the number which could have been assigned had the proper benefit level been used in calculating the number of hours to work. A claim shall be established for the amount of the overissuance not "worked off", if any. If the hours worked equal the amount of hours calculated by dividing the overissuance by the minimum wage, no claim shall be established. No credit for future work requirements shall be given.

g. Federal Financial Participation

1. Administrative Costs

Fifty percent of all administrative costs incurred by State agencies or political subdivisions in operating a workfare program shall be funded by the Federal government. Such costs include those related to recipient participation in workfare, up to \$25 per month for any participant, as indicated in paragraph (f)(4) of this section. Such costs shall not include the costs of equipment, capital expenditures, tools or materials used in connection with the work performed by workfare participants, the costs of supervising workfare participants, the costs of reimbursing participants for meals away from home, or reimbursed expenses in excess of \$25 per month for any participant.

2. Funding Mechanism

The State agencies shall have responsibility for disbursing Federal funds used for the workfare program through the State agencies' Letters of Credit. The State agency shall also assure that records are being maintained which support the financial claims being made to FNS. This will be for all programs, regardless of who submits the plan. Mechanisms for funding local political subdivisions which have submitted plans must be established by the State agencies.

3. Fiscal Recordkeeping and Reporting Requirements

Workfare-related costs shall be identified by the State agency on the Financial Status Report (Form SF-269) as a separate column. All financial records, supporting documents, statistical records, negotiated contracts, and all other records pertinent to workfare program funds shall be maintained in accordance with §277.12.

4. Would not be applicable for Vermont.

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h. Coordination With Other Workfare-Type Programs

State agencies and political subdivisions may operate workfare programs as provided in this section jointly with a workfare program operated under Title IV of the Social Security Act to the extent that provisions and protections of the statute are maintained or with other workfare programs operated by the subdivision to the extent that the provisions and protections of this section are maintained. Statutory provisions include, but are not limited to, eligible recipients as provided in paragraph (e)(1) of this section, maximum hours of work per week as provided in paragraph (f)(2)(i) of this section and the penalty for noncompliance as provided in paragraph (f)(6)(i) of this section. When a household receives benefits from more than one program with a workfare requirement and the household is determined to have a Food Stamp workfare obligation, the Food Stamp obligation may be combined with the obligation from the other program. However, this may be done only to the extent that eligible Food Stamp workfare participants are not required to work more than 30 hours a week in accordance with paragraph (f)(2)(i) of this section. Any intent to coordinate programs should be described in the plan. Waivers of provisions in this section, for the purpose of operating workfare jointly with local general assistance workfare-type programs may be requested and provided in accordance with §272.3(c). Statutory provisions shall not be waived.

i. Voluntary Workfare Program

State agencies and political subdivisions may operate workfare programs whereby participation by Food Stamp recipients is voluntary. In such a program, the penalty for failure to comply as provided in paragraph (f)(6) of this section shall not apply for noncompliance. The amount of hours to be worked will be negotiated between the household and the operating agency, though not to exceed the limits provided under paragraph (f)(2) of this section. In addition, all protections provided under paragraph (f)(2) of this section shall continue to apply. Those State agencies and political subdivisions choosing to operate such a program shall indicate in their workfare plan how their staffing will adapt to anticipated and unanticipated levels of participation. The Department will not approve plans which do not show that the benefits of the workfare program, in terms of hours worked by participants and reduced Food Stamp allotments due to successful job attainment, are expected to exceed the costs of such a program. In addition, if the Department finds that an approved voluntary program does not meet this criteria, the Department reserves the right to withdraw approval.

Emergency Food Stamp Assistance for Disaster Victims

280 Emergency Food Stamp Assistance for Disaster Victims (1979, 79-1F)

Temporary Standards of Eligibility

Temporary standards of eligibility and simplified certification procedures shall apply to all residents of a disaster area for which FNS has authorized provision of emergency Food Stamp assistance.

An individual or group shall be determined eligible for temporary Food Stamp assistance if the following criteria are met:

1. The household resides either temporarily or permanently within the geographic limits of the disaster area; and
2. The household has access to cooking facilities, either by itself or shared with other individuals or groups in shared temporary living accommodations; and
3. The household can demonstrate that its income and/or cash resources are reduced or inaccessible as a result of the disaster; and
4. If a household currently authorized to receive Food Stamps can show it has lost the food, or coupons as a result of the disaster, former receipt of coupons shall not preclude a second issuance under these emergency provisions; and
5. A household must be currently certified under normal criteria to receive emergency benefits due to the Department's failure to issue coupons by reason of "mechanical disaster".

Simplified application forms shall be provided to obtain necessary information for eligibility determination procedures.

Amount and Duration of Benefits

The amount of a household's emergency food coupon allotment shall be the zero net income coupon allotment currently authorized under normal issuance standards for a household of corresponding size.

Allotments shall be authorized in one-half or full month increments, whichever period corresponds to the authorized duration of emergency food stamp assistance in the area. Allotments may not exceed one full month. If emergency food stamp assistance authorization is subsequently extended beyond the initial period, appropriate additional allotments may be authorized for eligible households.

Initial designation of a disaster area eligible for emergency food stamp assistance shall not exceed 30 days. If, however, it appears that effects of the disaster will continue beyond the initial 30 days, extension for specific additional periods of time may be requested of and authorized by FNS.

Following the disaster and emergency issuance period, Food Stamp eligibility may continue for all households which meet normal ongoing eligibility criteria, including appropriate consideration of deductible personal and casualty loss expenses.

Emergency Coupon Issuance

Temporary coupon issuance arrangements may be provided, when necessary, in coordination with overall disaster relief operations, including but not limited to establishment of temporary and/or mobile issuance centers, provision for additional supplies, coupon inventories and personnel for regular issuance outlets. Appropriate precautions for safeguarding and accounting for food coupons will be observed.

Interim Disaster Procedures

280.1 Interim Disaster Procedures (02/01/1995, 95-1)

The Secretary shall, after consultation with the official empowered to exercise the authority provided for by section 302(a) of the Disaster Relief Act of 1974, establish temporary emergency standards of eligibility for the duration of the emergency for households who are victims of a disaster which disrupts commercial channels of food distribution, if such households are in need of temporary food assistance and if commercial channels of food distribution have again become available to meet the temporary food needs of such households. Such standards as are prescribed for individual emergencies may be promulgated without regard to section 4(c) of this Act or the procedures set forth in section 553 of Title 5 of the United States Code. In addition to establishing temporary emergency standards of eligibility, the Secretary shall provide for emergency allotments to eligible households to replace food destroyed in a disaster. Such emergency allotments would be equal to the value of the food actually lost in such disaster but not greater than the applicable maximum monthly allotment for the household size.

VERMONT NOTE:

a. Disaster Area

A disaster area is a geographic area, either contained within or equivalent to an ongoing Food Stamp project area, the residents of which have been adversely affected by one of the following:

1. A hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mud slide, snowstorm, drought, fire, explosion or other catastrophe which is determined to be a "major disaster" by the President pursuant to the Disaster Relief Act;
2. The halting for not less than 15 consecutive calendar days of the operation of all equipment available to the Department for normal coupon issuance by reason of "mechanical disaster" causes beyond the control of the Department, except that such causes shall not include strikes, lockouts of work stoppages, or any failure on the part of assigned personnel to operate said equipment;
3. An emergency, other than the above, resulting from natural or human causes, which has disrupted the distribution of coupons or commercial channels of food distribution.

A district director may initiate action to request designation of a disaster area by telephoning appropriate information to the Family Services Division Director. Supporting documentation shall be furnished for use in written application to USDA.

Upon approval of formal disaster area designation and authorization of Emergency Food Stamp Assistance by USDA/FNS, the Department's central office will establish and provide operating procedures and logistical support to the district office involved, through adaptation of the prefiled disaster reaction plan to the specific disaster conditions or needs of the designated areas.