DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



August 25, 2004

		REASON FOR THIS TRANSMITTAL
ALL COUNTY	INFORMATION NOTICE NO. I-57-04	[] State Law Change [X] Federal Law or Regulation Change [] Court Order
TO:	ALL COUNTY WELFARE DIRECTORS ALL FOOD STAMP COORDINATORS	[] Clarification Requested by One or More Counties [] Initiated by CDSS

SUBJECT: FOOD STAMP INFORMATION ON COST-OF-LIVING ADJUSTMENTS

(COLAS): MAXIMUM FOOD STAMP ALLOTMENTS, STANDARD DEDUCTION, SHELTER DEDUCTION, HOMELESS HOUSEHOLD SHELTER ALLOWANCE, STANDARD UTILITY ALLOWANCE (SUA), INCOME ELIGIBILITY STANDARDS, AND FOOD STAMP TABLES OF

COUPON ISSUANCE - EFFECTIVE OCTOBER 1, 2004

The Food Stamp Act of 1977 (as amended) provides annual cost-of-living adjustments (COLAs) to the Program's allotments, eligibility standards, and certain deductions. This letter transmits final information on the COLAs for Federal Fiscal Year (FFY) 2005 (October 1, 2004 through September 30, 2005). The food stamp COLAs are effective on October 1, 2004 for Change and Quarterly Reporting (QR) households. If October falls mid-quarter in a QR household, the COLA is effective October 1 and is treated as a county-initiated change.

Maximum Allotment

Food Stamp allotments are adjusted by the United States Department of Agriculture annually on October 1 to account for changes in the cost of the Thrifty Food Plan (TFP). As a result of an increase in the cost of the TFP and requirements of the Food Stamp Act, maximum allotments for FFY 2005 have changed as shown below.

Household								Each	Additional
Size:	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	Person
	\$149	\$274	\$393	\$499	\$592	\$711	\$786	\$898	+112

Standard Deduction, Shelter Deduction, and Homeless Household Shelter Allowance

The homeless household shelter allowance and the standard deduction for households of four (4) and under will remain the same as last year's (See ATTACHMENT I).

Page Two

However, the standard deduction for households of five (5) and six (6) and the shelter deduction have changed.

• Standard Deductions for FFY 2005:

Household Size	Standard Deductions				
1 to 4 persons	\$134				
5 persons	\$153				
6 or more persons	\$175				

Shelter Deduction: \$388

Homeless Household Shelter Allowance: \$143 (unchanged)

Standard Utility Allowance (SUA)

As a result of the percent change in the Consumer Price Index for all urban consumers, the **new SUA amount will be \$210 for FFY 2005.**

Income Eligibility Standards

The income eligibility standards have changed and the new amounts must be applied to allotments for October 2004. Eligibility standards are in ATTACHMENT I, which contain charts of the "Net and Gross Monthly Income Eligibility Standards" and the Gross Monthly Income Eligibility Standards for Households Where Elderly/Disabled Are a Separate Household."

Tables of Benefit Issuance

ATTACHMENT II is a set of tables of coupon issuance. These tables must be used for all cases when calculating allotments for October 2004 through September 2005. The tables are bracketed to identify food stamp allotment amounts that apply only to categorically eligible (CE) households. Please note that there are no CE bracketed amounts for a household of three (3) because the food stamp allotment amounts end before the maximum net monthly income limit of \$1,306 for a household of three (3) is reached.

Stuffer Notice

ATTACHMENT III is a copy of the FS 11 (ENG/SP), the general mass change notice. This notice informs clients about changes in food stamp allotments and the SUA deduction amount. Prior to duplication, CWDs must ensure that the FS 11 notice contains the county specific address that clients should use to send written state hearing requests.

Page Three

County Welfare Departments (CWDs) may opt to use the mass change notice to inform all households on or before October 1, 2004 of the new food stamp benefits and deductions in accordance with the MPP Section 63-504.39; or to notify households via the news media or post this information in certification offices, issuance locations or other sites frequented by certified households. However, with either option taken for mass change notification, households must be informed of the change no later than October 1, 2004.

Translations

For camera-ready copies of English and Spanish forms, please call the Forms Management Unit at (916) 657-1907 or CALNET at 437-1907 or the CWDs may obtain copies of these forms from the Department's web page at http://www.dss.cahwnet.gov.

Your Forms Coordinator now receives all translations as soon as they become available if your county is on the Language Translation Services (LTS) mailing list. All translated messages in Russian, Chinese, Vietnamese, and Cambodian versions of forms will follow shortly. Please call LTS at (916) 657-3429 if your county does not receive the Russian and Chinese translations.

Retroactive Benefits

If the CWD is unable to complete the necessary programming to reflect the appropriate changes in the October allotments, lost benefits must be restored retroactive to October 1, 2004. Restoration of lost benefits must be completed as soon as it is administratively feasible, but no later than the December 2004 allotment issuance date.

If you have any questions regarding this letter, please contact Frederick Hodges, Analyst, Food Stamp Policy Implementation Unit, at (916) 653-7973.

Sincerely,

Original Document Signed By:

RICHTON YEE, Chief Food Stamp Branch

Attachments