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ARNOLD SCHWARZENEGGER
GOVERNOR

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

December 19, 2009

ALL COUNTY LETTER NO. 09-82

TO: ALL COUNTY WELFARE DIRECTORS
ALL FOOD STAMP COORDINATORS
ALL CalWORKs PROGRAM SPECIALISTS
ALL CONSORTIUM MANAGERS

SUBJECT: IMPACTS ON THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) AND THE CALIFORNIA WORK, OPPORTUNITY, AND RESPONSIBILITY TO KIDS (CalWORKs) PROGRAMS; EXCLUDING \$25 UNEMPLOYMENT COMPENSATION PAYMENTS FROM INCOME AND RESOURCES

REFERENCE: AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009 (STIMULUS ACT OF 2009), P.L. 111-5; WORKER, HOMEOWNERSHIP, AND BUSINESS ASSISTANCE ACT OF 2009 (PUBLIC LAW 111-92), MANUAL OF POLICIES AND PROCEDURES (MPP) SECTION 44-103.121.

This All-County Letter provides information and instruction to counties regarding a recently-enacted law which changes the treatment of the \$25 supplemental weekly Unemployment Insurance Benefit (UIB) authorized by the American Recovery and Reinvestment Act of 2009 (ARRA). The United States Department of Agriculture, Food and Nutrition Service (FNS) issued guidance on March 18, 2009 stating that counties must count this \$25 weekly amount as income in determining eligibility and benefits. On November 6, 2009, President Obama signed the Worker, Homeownership, and Business Assistance Act of 2009 which now requires exclusion of the \$25 payments from food stamp calculations of resources and income.

This policy was effective on November 6, 2009. All decisions about food stamp eligibility and benefits for all months, beginning November 1, 2009, must exclude the weekly \$25 in unemployment compensation from resources and income.

Each county must contact the Employment Development Department to determine whether the residents are receiving the additional \$25 per week. If so, the county must take the following actions regarding the following:

RESOURCES

The SNAP regulations at 7 CFR 273.8(e)(11) provide that any resource excluded by provision of a federal statute is excluded in determining resources. Therefore, counties must exclude the additional \$25 weekly in UIB in the calculation of a household's resources.

INCOME

SNAP regulations at 7 CFR 273.9(c)(10) prevent any income excluded by any other federal statute from consideration as income for the purposes of determining benefits and eligibility for food stamp benefits. Therefore, counties must exclude this \$25 weekly amount in the calculation of gross and net income.

RESTORING LOST BENEFITS

If a participating household's November 2009 (or subsequent) benefits include the additional \$25 per week as income, the county must re-calculate the benefits and restore any that are lost (MPP section 63-802.) Counties should examine their records to identify all households in this situation. It is also possible that a county may have denied an application or terminated a household's participation solely because the county counted the \$25 weekly payment. If possible, counties should examine their records to identify such a household, re-open the household's application, certify the household if the household is still eligible, and restore any lost benefits back to November 2009. If the county does not examine their records, it should issue a mass change notice advising households of this change. The county should also notify the general public about this change in policy, and the possibility of restored benefits, through a notice on the county agency's web site, or through other means.

QUALITY CONTROL

A 120-day hold harmless variance exclusion period for QC variances begins with the date of this ACL.

CalWORKs

For CalWORKs purposes, UIB payments are considered income in accordance with regulations at MPP Section 44-103.121. Neither the ARRA nor PL 111-92 excluded the \$25 increase to UIB payments from consideration when eligibility or benefit levels are calculated for the TANF program (see ACL 09-22). Therefore, counties are to continue to treat UIB payments as unearned income in CalWORKs.

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Any additional information or clarifications we may receive from the FNS will be sent to counties on a flow basis and/or through Question and Answer documents. If you have any questions regarding the content of this letter, please contact Alicia Thomason, Food Stamp Policy Implementation Unit, at (916) 657-2630 or by e-mail at: Alicia.thomason@dss.ca.gov.

Sincerely,

Original Document Signed By:

CHARR LEE METSKER
Deputy Director
Welfare to Work Division