



CDSS

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Regulation Package # 0107-01

CDSS MANUAL LETTER NO. FS-08-05

TO: HOLDERS OF THE FOOD STAMP MANUAL, DIVISION 63

Regulation Package # 0107-01

Effective 10/20/08

Sections 63-102 and 63-504

This manual letter has been posted on the Office of Regulations Development website at <http://www.dss.cahwnet.gov/ord/PG1807.htm>

These regulations require that homeless, disabled, or elderly households eligible to participate in the Restaurant Meals (RM) Program be issued a specially marked identification (ID) card containing the person's name, case number, expiration date and signature. At the time the RM regulations were written, there was no other way to identify eligible households except through the provision of a separate ID card which was used in conjunction with the recipient's Golden State Advantage Electronic Benefit Transfer (EBT) card.

Previously, verification of eligibility to the RM program was electronically accessed through the EBT card that allowed access to the database through the point of sale device as specified in 7 CFR 274.12(h)(3)(ii)(B). The EBT system software validated each transaction prior to authorization via the RM "indicator code" which is contained in the database. The development of the EBT RM "indicator code" eliminates the need for the recipient to carry a separate ID card and ensures data security during electronic transmission. Accordingly, the regulations are being amended to repeal the existing provisions and to adopt language that permits verification of eligibility to the RM program through access to the EBT card.

FILING INSTRUCTIONS

Revisions to all manuals are indicated by a vertical line in the left margin. The attached pages are to be entered in your copy of the Manual of Policies and Procedures. The latest prior manual letter containing Food Stamp Manual changes was FS-08-04.

Page(s)

55.1 and 55.2
68 and 69
366 and 367
370

Replace(s)

Pages 55.1 and 55.2
Pages 68 and 69
Pages 366 and 367
Page 370

Attachment

NH

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- (C) Meals prepared and delivered by an FNS authorized meal delivery service to households eligible to use benefits for the purchase of delivered meals; or meals served by a communal dining facility for the elderly to households eligible to use benefits for communal dining.
- (D) Meals prepared and served to households eligible to use benefits to purchase those meals by a drug or alcoholic treatment and rehabilitation center which is authorized by FNS to accept benefits in exchange for meals.
- (E) Meals prepared and served to eligible blind or disabled residents receiving benefits under Title II or Title XVI of the Social Security Act by a group living arrangement which is authorized to accept benefits in exchange for meals.
- (F) Meals prepared and served by a shelter for battered women and children to its eligible residents.
- (G) Meals prepared for and served to homeless food stamp households by a public or private nonprofit establishment (e.g., soup kitchen or shelter), which has been authorized by the Food and Nutrition Service (FNS) to accept food stamp. This provision only applies to homeless food stamp households.
- (H) Meals purchased by eligible elderly, or homeless or disabled food stamp households under the provision of a CDSS-approved restaurant meal program.
 - 1. Counties shall only contract with individual restaurants that serve meals at concessional prices:
 - a. meals that cost less than that which would be charged to customers not using food stamp benefits, or
 - b. discounted meals already offered to certain consumers or advertised special or sale priced meals offered to all consumers.
 - 2. Restaurants must be authorized by FNS (by approval of the FNS-252-2 submitted by the restaurant) to accept food stamp benefits.
 - 3. Before instituting a restaurant meals program, counties must first submit a written proposal to CDSS for review and approval. All county documents and definitions must reflect the requirements of federal and State regulations. The proposal must contain:

63-102 DEFINITIONS (Continued)**63-102**

- a. a draft publicity sheet to notify restaurants about the requirements of the restaurant meals program;
 - b. a draft publicity sheet for current homeless, elderly, and disabled recipients including information on requirements and availability;
 - c. a draft Memorandum of Understanding (MOU) detailing the obligations of the county to:
 - (i) provide recipients with the designated, updateable “restaurant indicator” directly associated with their Golden State Advantage EBT card;
 - (ii) inform those recipients of the names and addresses of participating restaurants; and
 - (iii) include signature blocks for persons authorized on behalf of the county and the restaurant.
 - d. a draft MOU detailing the obligations of the restaurant to:
 - (i) prohibit inclusion of a service gratuity in the price of the meal;
 - (ii) prohibit charging sales or meals tax;
 - (iii) prohibit the acceptance of food stamp benefits for the purchase of alcoholic beverages; and
 - (iv) require posting of a sign notifying the public of the restaurant’s participation in the program and including references to nondiscrimination statutes and regulations.
4. CDSS will review and notify the county of approval or denial of the proposal within 60 days of receipt of the county’s draft material. If materials require modification, CDSS will define necessary corrections. On receipt of resubmitted materials, CDSS will make final approval or denial within 60 days.

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- (10) "Staple food" means those food items intended for home preparation and consumption which include meat, poultry, fish, 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 purposes of qualifying a firm to participate in the Food Stamp Program as a retail food store.

- (11) "State agency (CDSS)" means the agency of the State Government which has the responsibility for the administration of the federally aided public assistance programs within the state.

- (12) "Statewide Fingerprint Imaging System (SFIS)" is the automated system designed to detect and prevent duplicate participation in the Food Stamp Program by matching the fingerprint images of applicants and recipients against those already in the SFIS database. The county is also required to take a photo image of each household member required to comply with SFIS, using the SFIS equipment.

- (13) A "storage point" means a location where a CWD and/or its issuing agent keeps or stores coupons.

- (14) "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; (2) Section 1616(a) of the Social Security Act; or (3) Section 212(a) of Public Law 93-66.

- (15) "Suspended Claim" means a food stamp overissuance claim on which no collection action has been initiated or collection action has ceased in accordance with Section 63-801.5.

- (t) (1) "Terminated Claim" means that the CWD has determined the claim to be uncollectible because the three-year suspension period for the food stamp overissuance claim has expired.

- (2) Section 63-102(t)(2)(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

- (QR) "Third-Party Information" means information that is not known to the county, and is a report from an outside source about a household's circumstances.

- (3) "Thrifty food plan" means the diet required to feed a family of four persons as 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, except that the Secretary shall make household-size adjustments in the thrifty food plan taking into account economies of scale.

- (4) "Trafficking" means the buying or selling of coupons, access devices or authorization documents such as ATP cards for cash or consideration other than for eligible food, or the exchange of firearms, ammunition, explosives, or controlled substances for food coupons.

63-102	DEFINITIONS (Continued)	63-102
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- (5) "Transaction receipt" means the document produced in an automated direct access issuance system which can be designed to be signed prior to the issuance of benefits by a household member designated on the ID card or any authorized representative.

- (6) "Transitional housing" means time limited residency to facilitate the movement of homeless individuals and families to permanent housing. The residency shall be determined to be time limited when the household states that their housing situation is temporary, or the CWD or the housing unit imposes a time limit.

- (u) (1) "Underissuance" means the amount by which the allotment to which the household was entitled exceeds the allotment which the household received.

- (v) (1) "Validity period" means the time frame during which a household may obtain benefits by transacting an authorization document or receiving benefits at an issuance point.

- (w) (1) "Wholesale food concern" means an establishment which sells eligible food to retail stores or to meal services for resale to households.

- (x) Reserved

- (y) Reserved

- (z) Reserved

NOTE: Authority cited: Sections 10553, 10554, 11265.1, .2 and .3, 18904, and 18910, Welfare and Institutions Code. Reference: Sections 10554, 10830, 11486.5 and 18930 through 18934, Welfare and Institutions Code; 8 U.S.C.A. Section 1522(e); 42 U.S.C.A. 601, et seq.; and 42 U.S.C.A. 5122; 7 CFR 272, 7 CFR 272.4(f); 7 CFR 273, 7 CFR 273.1(c)(5); 7 CFR 271.2; 7 CFR 273.2, .2(e)(3), .2(j), (j)(4), and (v)(2)(i)(B); 7 CFR 273.4(a)(3)(ii) and (iv), .4(c), (c)(2), (c)(3)(iv), and (e)(3)(iv); 7 CFR 273.5(a); 7 CFR 273.8; 7 CFR 273.9(c)(1)(ii)(D); and (c)(11)(i) and (ii); 7 CFR 273.11(a)(2)(iii); 7 CFR 273.12(c)(3); and .12(e); 7 CFR 273.16(c); 7 CFR 273.18(a)(1)(ii); 7 CFR 273.18(e)(3)(v), (e)(5)(v) and (n)(1)(i); 7 CFR 273.21(b); 7 CFR 274.3(a)(2); 7 CFR 274.10; 7 CFR 274.12 and .12(h)(3); 7 CFR 278.1; 7 CFR 2710.2; 45 CFR 401; 45 CFR 400.62; Public Law (P.L.) 100-77, Section 802; Section 70 of Assembly Bill (AB) 444, Chapter 1022, Statutes of 2002; AB 692, (Chapter 1024, Statutes of 2002); Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) [Dock. No. CV-89-0768]; Section 66011, Education Code; P.L. 102-237, Section 902; 7 U.S.C. 2014(c)(2)(B) and (k)(2)(F); 7 U.S.C. 2022(b)(4); 8 U.S.C. 1631; U.S.D.A. Food and Nutrition Service Administrative Notices 94-39, 97-44, and 98-56; Hamilton v. Madigan (9th Cir. 1992) 961 F.2d 838; Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; Food Stamp Act Section 6(k)(1); P.L. 104-193, Sections 272, 273, 805, 821, and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Federal Register Vol. 59, No. 224, dated November 22, 1994; Federal Register Vol. 65, No. 130, dated July 6, 2000 and Vol. 65, No. 149 Corrections, dated August 2, 2000, and Federal Register, Vol. 66, No. 229, dated November 28, 2001.

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63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY 63-504
(Continued)

- (a) PA households whose recertifications are completed in the month prior to the last month of the certification period shall be subject to all provisions of Section 63-504.3 in that month, except that they shall be provided a notice of action informing them of the approval or denial of their reapplication, instead of a notice as specified in Section 63-504.26.
- (b) All changes reported on the application shall be subject to the same verification procedures as apply at initial certification, including categorically eligible households, as specified in Sections 63-301.71, .72, and .82.

.63 Section 63-504.63(MR) shall become inoperative and Section 63-504.63(QR) shall become operative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.

(MR) Process for Recertifying Nonmonthly Reporting Households

(QR) Process for Recertifying Change Reporting Households

.631 The following verification requirements shall apply at recertification:

- (a) The CWD shall verify: A change in income 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; a change in the legal obligation to pay child support or an increase in the amount of child support paid.
- (b) The CWD shall not verify the following: income if the source is unchanged and the amount has changed by \$25 or less; changes of \$25 or less in total medical expenses or decreases in the amount of child support paid. However, any questionable information related to the above expenses which is incomplete, inaccurate, inconsistent, or outdated shall be verified.

.7 Identification (ID) Cards

.71 The CWD shall issue an ID card to each certified household as proof of eligibility. The ID card may be serially numbered at the CWD's option, except as provided in Section 63-504.84. ID cards shall be issued in the name of the household member who is authorized to receive the household's issuance. Any person listed on the ID card shall sign the ID card prior to using it.

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(Continued)

- .711 If the household does not name an authorized representative, the CWD shall void that area of the ID card to prevent names and signatures from being entered at a later date.
- .712 The CWD shall place an expiration date on those ID cards issued to households that have been certified for delivered meals for a temporary period or any other temporary ID cards issued by the CWD.
- .72 Specially Marked ID Cards
 - .721 Any household eligible for and interested in using delivered meal services shall receive an ID card marked with the letter "M".
 - .722 Any household eligible for and interested in using communal dining facilities shall receive an ID card marked with the letters "CD".
 - .723 Any household eligible to participate in the restaurant meal program shall have their eligibility for the program electronically verified using the Golden State Advantage Card.

HANDBOOK BEGINS HERE

- (a) EBT counties are not to place stickers on EBT cards that could damage ATM/POS devices.

HANDBOOK ENDS HERE

.73 Mailing ID Cards

ID cards delivered to a household by mail shall not be mailed in the same envelope with an authorization document, access device, or coupons.

.74 Issuance/Replacement of ID Cards

The CWD shall limit issuance of ID cards to the time of initial certification, with replacements made only in instances of loss, mutilation, destruction, changes in persons authorized to obtain or use coupons, or when the ID card format or system changes. Whenever possible, the CWD shall collect the ID card being replaced.

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.88 Photo ID Card Waivers

- .881 One or more of the minimum photo ID requirements in Section 63-504.84 may be waived for any CWD that can demonstrate that its alternate ID card or system will provide adequate safeguards against fraudulent and duplicate issuances.
- .882 In counties where photo ID cards are mandated, and a waiver is desired, the CWD shall request a waiver from FNS through SDSS. Decisions on the granting of waivers will be made on a case-by-case basis.

NOTE: Authority cited: Sections 10553, 10554, 10604, 11265.1, .2, and .3, 11369, 18904, and 18910, Welfare and Institutions Code. Reference: Sections 10554, 11265.1, .2, and .3, 18901.6, 18904, and 18910, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 271.2; proposed 7 CFR 273.2(f)(1)(xii) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, (f)(8)(i); (f) (8)(i)(A) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; (f)(8)(ii), (h), and (h)(1)(i)(D), 7 CFR 273.2(j)(3) and (4); 7 CFR 273.8(b); 7 CFR 273.9(d)(6)(iii)(F), 7 CFR 273.10(d)(4), (f), (g)(1)(i) and (ii); 7 CFR 273.12(a)(1)(i)(A), (a)(1)(i)(B), and (a)(1)(i)(C)(2); proposed 7 CFR 273.12(a)(1)(vi) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, and (c); 7 CFR 273.12(e)(1), (e)(2), and (e)(4); 7 CFR 273.13(a)(2); 7 CFR 273.13(b)(1); 7 CFR 273.14; 7 CFR 273.14(b)(3) and (e); 7 CFR 273.18(e)(6)(ii); 7 CFR 273.21(e)(1), (f)(1)(iii), (f)(1)(iv)(B), (f)(2)(v), (h)(2)(iv), proposed (h)(2)(ix) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, (h)(3)(ii), (i), (j), (j)(1)(vi), (j)(1)(vii)(A) and (r), (j)(2)(iii), (j)(3)(ii), (j)(3)(iii)(B), (j)(3)(iii)(C), and proposed (j)(3)(iii)(E) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 274.10; 7 CFR 274.12(h)(3); Public Law (P.L.) 100-435, Section 351, P.L. 101-624, and P.L. 103-66; Section 1717, [7 U.S.C. 2014(e)]; 7 U.S.C. 2014(d)(7), and (e)(6)(C)(iii), 2017(c)(2)(B) and 2020(s); U.S.D.A. Food and Consumer Services, Administrative Notices 94-39 and 97-50; P.L. 104-193, Sections 801, 807 and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Federal Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; Federal Administrative Notice 97-99, dated August 12, 1997; United States Department of Agriculture (USDA), Food and Nutrition Service (FNS) Administrative Notice (AN) 03-23, dated May 1, 2003 USDA, FNS Waiver #2070014;

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