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ACTING DIRECTOR

STATE OF CALIFORNIA—HEALTH AND HUMAN SERVICES AGENCY
DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

January 11, 2019

TO: ALL COUNTY WELFARE DIRECTORS

FROM: KIM MCCOY WADE, Chief
CalFresh and Nutrition Branch

SUBJECT: FEDERAL SHUTDOWN AND CALFRESH: PLAN FOR EARLY
ISSUANCE OF FEBRUARY BENEFITS BY JANUARY 20

Per instruction received from the United States Department of Agriculture (USDA) in response to the Federal shutdown, CalFresh food benefits for February will be issued early between January 16 and January 20 for most continuing clients. Counties should continue all other CalFresh operations as usual.

Thank you for your partnership in this extraordinary effort to ensure February benefits reach as many eligible CalFresh clients as possible and provide Californians with the food, nutrition, and income support they both need and are eligible to receive, despite the Federal shutdown.

The USDA has issued this instruction because they have not received an appropriation to fund the Supplemental Nutrition Assistance Program (SNAP) (known in California as CalFresh) beyond January 20. On January 8, USDA issued a letter directing States to implement an “early issuance” strategy to make February benefits available to CalFresh recipients no later than January 20. On January 10, USDA issued a blanket waiver which would allow states to issue benefits early and a detailed question and answer document. These materials are all attached to this letter.

The California Department of Social Services (CDSS), in partnership with the Statewide Automated Welfare System Consortia (CalACES North/South and CalWIN), the Office of Systems Integration, the State’s Electronic Benefit Transfer (EBT) vendor FIS™, and the County Welfare Directors Association of California, designed a plan to meet the early issuance deadline established by USDA and submitted that plan to USDA on Friday, January 11 (attached). We have informed the California association representing EBT retailers and representatives of the advocate community.

The shared goal is to deliver February CalFresh benefits to the 3.8 million Californians currently participating and known to be eligible for February, with minimal impacts and risks to the program.

CalFresh administrative costs continue to be funded for February.

County Operations

CalACES North/South and CalWIN, in partnership with CDSS, are convening their respective counties to discuss consortia-specific operational procedures related to early issuance.

Communications

Counties must implement client noticing as they would for a mass change. Counties may use existing communication channels to inform clients about early issuance, such as, but not limited to, county websites, posters in county offices, county telephone systems, press, and social media. Counties are also encouraged to work with CalFresh Outreach providers and emergency food organizations in their community. The CDSS will also use the CDSS website, press, and social media to inform clients and the public. Sample client and county staff messages for counties' consideration is below.

There is no individual household noticing requirement. However, counties are encouraged to contact individual households as feasible, using communication channels such as, but not limited to, text messaging, email, and prerecorded phone messages.

Sample Client Messages

Because of the federal government shutdown, February CalFresh benefits for most participants will be issued early, between January 16-20.

If you receive your February CalFresh benefits early, you should plan your food budget knowing that these benefits will be the only benefits provided through the end of February.

If you receive CalFresh and have a report due in January, please complete that process and approved benefits are scheduled to be issued February 1-10.

New applications continue to be accepted and processed, and expedited services are available, as usual.

The EBT system continues to be operational.

Unless the federal shutdown is resolved, benefits for March MAY NOT be available. We are waiting for federal guidance and will keep you informed.

Sample County Staff Messages

Because of the federal government shutdown, February CalFresh food benefits will be provided earlier than usual to most current clients – between January 16-20, instead of between February 1-10.

Most current clients will get an “early issuance” of their February CalFresh benefits between January 16-20.

- This includes all clients who do **not** have a CalFresh report due in January.
- This also includes clients who have a CalFresh report due in January **and** whose report has been received **and** continuing eligibility has been determined in advance of the early issuance process

Clients who receive “early issuance” between January 16-20 are reminded that these are February CalFresh food benefits.

- No additional food benefits will be issued to these clients for February.
- Clients are encouraged to plan their food budget knowing that there will be a longer period between the early issuance and their next normally scheduled issuance in March.

Clients not included in the “early issuance” group will get February food benefits through normal processes and on their normal issuance dates, as long as they are determined eligible *and federal reserve funds have been determined available*.

- Current clients who have a report due in January and whose report is received and continuing eligibility is determined after the early issuance process, but before the end of the month, will receive February benefits between February 1-10 as usual.
- Current clients who have a report due in January and whose continuing eligibility is determined after the end of the month will have their discontinuance rescinded and receive benefits in February as usual.
- New clients determined eligible after the early issuance process will receive January benefits (with possible proration) and February benefits as usual.
- New clients who apply on or after February 1 and are determined eligible will receive February benefits in February as usual.

Currently, there is no projection for how long federal reserve funds will be determined available during the month of February. Per USDA guidance, absent a new appropriation for USDA (i.e., a resolution to the shutdown or enactment of separate

federal legislation appropriating these funds despite the shutdown), there is insufficient federal funding available for March SNAP benefits.

Additional information and guidance will be provided to counties once more is known about the availability of federal reserve funds, how the federal government will communicate availability of those funds to states, and how counties are to message these future issues to clients. Also, information on the March benefit month and messaging to clients will be forthcoming should the shutdown continue further into February.

If you have any questions about this ACWDL or about the early issuance plan, please contact the CalFresh Policy Bureau at 916-651-8047.

Attachments



January 8, 2019

United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

SUBJECT: Supplemental Nutrition Assistance Program (SNAP)
State Issuance Files for February 2019

TO: SNAP State Agency Directors
All States

The Food and Nutrition Service (FNS) wants to extend our appreciation to States for their work to serve those eligible for Supplemental Nutrition Assistance Program (SNAP) benefits, particularly during this period of uncertainty associated with a lapse in federal appropriation. As we stated in our correspondence of December 26, 2018, SNAP has funding available for benefits and operations through the month of January. FNS has determined that funding for February benefits is available for State Agencies through early issuance.

In order to move forward with this contingency plan:

- We are directing States to hold their February issuance files and delay transmission to State electronic benefit transfer (EBT) vendors immediately.
- States would, instead, implement an early issuance strategy, providing February benefits to SNAP participants on or before January 20, 2019.

We will be working with States individually on how this approach is executed, in order to issue benefits to eligible households in the most efficient and equitable manner possible. We appreciate the partnership with States that administer this critical nutrition assistance program and will continue to keep you apprised with information as we exercise due diligence in our prudent oversight of the program.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessica Shahin", is written over a horizontal line.

Jessica Shahin
Associate Administration
Supplemental Nutrition Assistance Program



**United States
Department of
Agriculture**


Food and
Nutrition
Service

Western Region

90 Seventh St.
Suite 10-100
San Francisco, CA
94103

DATE: January 10, 2019

TO: Supplemental Nutrition Assistance Program (SNAP)
State Agency Directors

FROM: Jesus Mendoza Jr. 
Regional Administrator
Western Region

SUBJECT: Blanket Waiver to Allow Early Issuance of Supplemental Nutrition
Assistance Program (SNAP) Benefits

Due to the current lapse in fiscal year 2019 appropriations, SNAP is providing a blanket waiver to States to allow for early issuance of February SNAP benefits.

The Food and Nutrition Service (FNS) is waiving 7 CFR 274.2(d) to the extent that it requires that ongoing households receive their benefits on or about the same date each month. States will be allowed to issue February benefits early in order to minimize the potential impact of the lapse in appropriations on SNAP clients.

States normally make benefits available in accordance with their [issuance schedules](#) each month. **With this waiver, States may instead issue all February benefits on or before January 20, 2019.**

States must:

- Inform FNS of their intent to utilize this waiver;
- Provide FNS with the issuance file transmission date(s); and
- Provide FNS with the issuance availability date(s) on or before January 20, 2019, so that the stakeholders can be informed.

States should then ensure that SNAP households understand that this issuance is their February issuance and not an additional benefit. Further, for purposes of payment of the monthly cost per case month fee to the State's EBT Processor, the January early issuance event should be treated as the February issuance event. The cost per case month fee should, however, be recorded as a State Administrative Expense in the month that it is incurred (i.e., January).

If you have any questions regarding this waiver or its implementation, please contact me at 415-705-1337 or by email at jesus.mendoza@fns.usda.gov or Maribelle Balbes of my staff at 415-437-8802 or by email at Maribelle.Balbes@fns.usda.gov.

Early Issuance of February 2019 SNAP Benefits – Questions & Answers #1

- 1. Are there administrative funds available for February? Must the State take special action by January 20th to draw down these funds as well?**

There will be administrative funds available for February. Once these funds are available to State agencies they are considered obligated and States should draw down funding in accordance its standard procedures; no alternative action is necessary.

- 2. Do States need to send a waiver request to FNS for early issuance or can they move forward with getting these benefits out?**

Under the blanket waiver States can start the process immediately but do need to let FNS know certain information. States need to confirm to their Regional Office that they can accomplish early issuance by January 20th and provide the schedule for the early issuance. Regional Offices have been in communication with States about details of the early issuance process and information needed.

- 3. Can States use a staggered approach to issue the benefits with January 20th being the last date of issue?**

Yes, States may choose to stagger or may issue all benefits on the 20th, whichever they prefer. Individual States should work directly with their EBT vendors to discuss the early issuance schedule that will work best for them.

- 4. Must the EBT vendor have processed the file and requested the increase in the letter of credit to officially obligate the funding by January 20th?**

The EBT vendor has to process the file with an availability date no later than the 20th. The AMA file needs to reflect availability dates no later than the 20th for the issuance.

- 5. Should States continue normal SNAP operations after completing the early issuance process?**

States must continue accepting applications and determining eligibility for SNAP. Limited funding within the SNAP contingency reserve is available for these cases; it is for this reason that it is so critical that States issue their regular ongoing benefits by January 20th. FNS is committed to minimizing the impact of the appropriations lapse on SNAP households and directing the limited funding available from the contingency that can be used toward

normal SNAP operations, including the issuance of benefits for new applicants in February, should the Federal government shutdown continue.

FNS has provided guidance indicating that the Continuing Resolution that expired on December 21, 2018, provided administrative funding for January and February in addition to January benefits and the early issuance of February benefits. It is critical that States are able to maximize the early issuance solution in order to ensure that all eligible SNAP households receive benefits for February.

6. Can we send daily benefit files from January 20th through January 31st?

The Continuing Resolution that expired on December 21, 2018, provided funding for January benefits. States should continue sending daily files to their EBT processors for benefits that will have availability dates through January 31st.

7. 7 CFR 273.2 (g)(2) indicates that SNAP households who apply after the 15th of the month and are determined eligible for the initial month and subsequent months may be issued a combined allotment at the State agency option for the month of application and benefits for the first full month of participation. If a household applies after January 15th can we issue them a combined January/February allotment?

If the household is determined eligible and the combined benefit issued with an availability date on or before January 31st, any such program issuances made under this provision are proper obligations of January 2019. As such, they are provided for in currently available program funding.

8. How should States handle new applications that are determined eligible for February benefits if they will not receive a combined allotment in January?

Limited funding within the SNAP contingency reserve is available for these cases; it is for this reason that it is so critical that States issue their regular ongoing benefits by January 20th. States should handle new applications for February benefits according to normal procedures.

9. Are there notice requirements for the change in issuance date for February benefits?

States should handle the noticing as they would a mass change, which may be publicized via the news media, posters in certification offices, issuance locations, or other sites frequented by certified households, or general notices mailed to households.

Clear communication will be key to ensuring the early issuance process goes smoothly. State agencies must engage in appropriate outreach and communication strategies to ensure that SNAP households understand that benefits are being issued earlier, rather than in addition to, their normal allotment, so participants can properly budget and plan.

10. What cases should be included in the early issuance? Should pending recertifications scheduled to close on January 31st be included in the issuance file sent by January 20th?

State agencies should include all cases that would normally be included in their recurring monthly issuance file in the early issuance for February. Cases due to recertify or submit periodic reports at the end of January may also be included if they have submitted their reports or completed all of their recertification actions by the time the State sends the early issuance file. Cases that have not completed the required actions by the date the State sends the early issuance file should be processed as normal. Limited funding within the SNAP contingency reserve is available for these cases; it is for this reason that it is so critical that States issue their regular ongoing benefits by January 20th. States should complete processing and send files to their EBT processors to issue February benefits to any such cases once they complete the required actions.

11. Will FNS provide States with a “hold harmless” for Quality Control purposes for errors associated with the early issuance of February benefits?

Due to the extenuating circumstances associated with the Federal government shutdown, FNS has determined that early issuance of February SNAP benefits is the best way for households to continue receiving the nutrition assistance for which they are eligible. We recognize the challenges associated with this solution, particularly given the short timeframe for implementation. As such, FNS is willing to consider holding State agencies that issue February benefits early harmless from Quality Control (QC) errors associated with that overissuance within limited parameters. Once the early issuance has been completed, FNS will revisit this issue with States and may issue further guidance depending upon the scope of the challenges.

**California Supplemental Nutrition Assistance Program (SNAP)
Early Issuance of February Benefits Plan**

Please find below the questions we would like for you to address by noon on Friday, January 11, 2019:

- **Will the State be able to issue benefits to their entire caseload on or before January 20th?**

Yes, California will be issuing benefits to the entire caseload eligible for early issuance prior to January 20, 2019. This includes all cases without a January report month, as well as those cases with a January report month that have already submitted a report and had continuing eligibility determined for February.

- **When will the State transmit its file(s) to their EBT contractor?**

California has three separate eligibility systems that make up our consortia called the Statewide Eligibility Welfare Systems (SAWS). One of our systems, CalWIN, will transmit to FIS on January 14, 2019 and the other two systems, named LRS and C-IV, will transmit files to FIS on January 15, 2019.

- **What will the effective date for issuance be (i.e., when will the benefits be available for use by the household)?**

The availability dates for California will be January 14-16, 2019.

- **Will the State's issuance be staggered and, if so, what are the transmission and effective dates be for those staggered issuances?**

Yes. Transmission date for CalWIN is January 14, 2019 and effective dates will be January 14 or January 15. Transmission date for LRS and C-IV will be January 15, 2019 and effective date will be January 16, 2019.

- **How does the State handle late-in-the-month cases where approval would address both January and February benefits?" More specifically, for cases approved after January 20, would benefits for February be issued in the same (combined) allotment as January or would it be a separate allotment issued in February?**

FIS must process files by January 16th, therefore, California must run our files on January 14th and 15th.

As is current practice, most cases approved on or after January 15 with approval for both January and February benefits will be issued January and February benefits at the same time.

- **For January recertification cases, to the degree possible, can you provide a rough estimate of how many benefit dollars are associated with those cases which will not yet be completed by January 20 because reports have not been submitted or case processing not yet completed?**

Approximately \$86 million, based on prior month issuance and percentage of caseload affected.