

April 22, 2020

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

ALL COUNTY LETTER NO. 20-48

The purpose of this All County Letter is to provide guidance to County Welfare Departments regarding CalFresh verification requirements and treatment of “job loss” or “zero income” at initial application and subsequent to initial application.



KIM JOHNSON
DIRECTOR

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

April 22, 2020

ALL COUNTY LETTER NO. 20-48

TO: ALL COUNTY WELFARE DIRECTORS
ALL CONSORTIUM PROJECT MANAGERS
ALL CALFRESH PROGRAM SPECIALISTS
ALL COUNTY CALFRESH COORDINATORS
ALL CONSORTIUM PROJECT MANAGERS
ALL WELFARE INTERCEPT COORDINATORS
ALL COUNTY INCOME AND ELIGIBILITY VERIFICATION
SYSTEM COORDINATORS

SUBJECT: CALFRESH VERIFICATION REQUIREMENTS AND TREATMENT
OF REPORTS OF JOB LOSS/ZERO INCOME

REFERENCE: [Code of Federal Regulations \(CFR\) Title 7 Section 273.2](#); [7 CFR 273.7](#); [7 CFR 273.10](#); [7 CFR 273.12](#); [Manual of Policy and Procedures 63-504.422\(b\)](#); [All County Information Notice \(ACIN\) I-45-11](#), [ACIN I-45-11E](#), [ACIN I-58-13](#), [ACIN I-58-13E](#), [All County Letter \(ACL\) 11-06](#), [ACL 13-103](#), [ACL 17-35](#), and [ACL 19-86](#).

The purpose of this All County Letter (ACL) is to provide guidance to County Welfare Departments (CWDs) regarding CalFresh verification requirements and treatment of “job loss” or “zero income” at initial application and subsequent to initial application. Any prior guidance issued by the Department on this topic is superseded by this ACL.

Background

Federal Supplemental Nutrition Assistance Program (SNAP) regulations found at [7 Code of Federal Regulations \(CFR\) 273.2\(f\)\(1\)](#) specify what information, if applicable to the household, must be verified to determine CalFresh eligibility and the household’s monthly benefit amount. They are often referred to as “mandatory verifications.”

The following information must be verified, in addition to identity, if applicable to the household before the CWD can determine CalFresh eligibility and the household’s monthly benefit amount:

- Work hours only for non-exempt Able-Bodied Adult Without Dependents (ABAWD) household members if the county is not under a waiver of the ABAWD time limit;
- Eligible non-citizen status only for a member of the household identified as a non-citizen and who is applying for benefits;
- Child support obligation and actual payment amount only before a child support payment is allowed as an exclusion from gross income;
- Disability only for a member of the household that is disabled and when the CWD does not already have verification on file or the household does not have a source of income that documents the disability;
- Gross nonexempt income for all members of the household, unless the household has no income;
- Medical expenses only for an elderly and/or disabled member of the household and only before the medical expense is allowed as a deduction from gross income;
- Residency;
- Social Security Number for all members of the household;
- Student exemption only for a member of the household identified as a student;
- Utility expenses only before the Standard Utility Allowance is allowed as a deduction from gross income;
- Shelter costs only before shelter costs are allowed as a deduction from gross income;
- Conditions of eligibility for certain drug related felonies only for a member of the household identified as having been convicted of certain felonies; and
- Sponsored non-citizen information only for a member of the household identified as a sponsored non-citizen, who is applying for benefits, and who has not claimed to be indigent.

It is important to note that not all mandatory verifications apply to all households. The CWD must only verify the information mentioned above if applicable to the household and/or if the household is claiming a deduction (ex. child support, medical, utility, and/or shelter). If the household is unable to provide the necessary verification to claim a deduction and can be determined eligible without the deduction, the CWD must complete the eligibility determination. The household may qualify for the deduction at a later time if they provide the verification necessary for the deduction.

When verifying information, CWDs cannot require a specific type of verification, even if the information is considered a mandatory verification. Verification can be secured using methods such as, but not limited to, documentary evidence, electronic verification, collateral contacts, and client statement. When certain verification methods are unavailable to the household, the CWD must use the best available information.

“Best available information” refers to verification types that are readily available to the household. At times when documentary evidence or electronic verification are not readily available, the best available information may include collateral contacts or client statement.

The CWD has the responsibility to assist all households in securing mandatory verification. As such, CWDs are reminded to use existing verification when available and electronic verification sources when applicable to the household.

Information that is not considered a mandatory verification must only be verified “if questionable.” The CWD must document in the case record why the information is questionable before requesting verification from the household.

For more information on mandatory verifications, refer to [All County Information Notice \(ACIN\) I-45-11](#), issued on October 28, 2011, and [ACIN I-45-11E](#), issued on July 1, 2012. For further guidance on specific verifications, refer to the following list:

- [ACL 11-06](#), issued on January 12, 2011: Sponsor Income Verification
- [ACIN I-58-13](#), issued on September 12, 2013, and [ACIN I-58-13E](#), issued on March 28, 2014: Implementation of the Semi-Annual Reporting (SAR) System Questions and Answers
- [ACL 13-103](#), issued on December 18, 2013: Verification of Dependent Care Expenses in CalFresh
- [ACL 19-86](#), issued on August 21, 2019: CalFresh Implementation of Assembly Bill 494: Verifying Shelter Costs to Claim the Excess Shelter Cost Deduction
- [ACL 17-35](#), issued April 25, 2017: CalFresh Standard Medical Deduction Demonstration Project for Elderly/Disabled Households.

Verification of Gross Non-Exempt Income at Initial Application

As described above, the CWD must verify gross non-exempt income for all household members, which includes income from earnings. At application, the household must provide verification of income earned over the last 30 days unless the household just started working.

How to Address Recent Job Loss at Application

Federal SNAP regulations do not require mandatory verification of job loss at application. When a household member claims to have recently lost a job, the CWD must not require verification of job loss, unless questionable. Further, client statement on the application of a recent job loss is sufficient evidence that a household cannot reasonably anticipate income from that job to continue during the certification period.

This applies even if the client submits verification of income earned within 30 days of the date of application if the income was earned before the job loss.

SNAP regulations at [7 CFR 273.10\(c\)\(ii\)](#), regarding the determination of household eligibility and benefits, specifically state that “income received during the previous 30 days must 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 must 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 a household member’s last day of work was within 30 days of the date of application, then the CWD must verify the household member’s income and will need to consider the household member’s last day of work and last pay day to determine eligibility and benefit amounts.

The CWD may use the verified income amount to determine the first month’s benefit allotment amount depending on when the household member was last paid. For example, if a household applies on April 3rd and informs the CWD that a household member lost their job on March 27th and is expecting their last paycheck on April 5th, the CWD will use the income received in the application month to determine the household’s first month’s benefits. The CWD will not anticipate income from that job to continue during the remainder of the certification period.

How to Address Zero Income at Application

When a household has zero income, unless the household indicates otherwise or anticipates changes, a statement from the household that it has zero income on the application is sufficient evidence that the household cannot reasonably anticipate income during the certification period. The CWDs must not require a household to provide verification of zero income, unless questionable. The CWD must document in the case record why the information is questionable before requesting verification from the household.

How to Address Voluntarily Quit at Application

When a household member is subject to the general CalFresh work requirements (i.e. work registration), in accordance with [7 CFR 273.7](#), and the CWD learns that the applicant voluntarily quit their job within 60 days prior to the date of application, the CWD must determine whether the applicant had “good cause” to quit as specified in [7 CFR 273.7\(i\)\(1\)](#). To the extent that the information provided by the household regarding the reason for the job loss is questionable, the CWD must request verification of the

reason for the job loss. The CWD must document in the case record why the information is questionable before requesting verification from the household.

Verification of Gross Non-Exempt Income Subsequent to Initial Application

How to Address Job Loss and Zero Income Subsequent to Initial Application

When a CalFresh household reports a job loss subsequent to initial application, CWDs must request verification of the decrease in income. For purposes of this letter, reports subsequent to initial application refer to voluntary mid-period reports and periodic report (i.e., SAR 7).

When requesting verification, the CWD must determine whether the job loss led to: (1) a decrease in income for the household, and the amount of the decrease; or (2) zero income for the household. If the job loss led to a decrease in income of \$50 or more, the CWD must verify the household's new gross non-exempt income to determine continuing eligibility. If the job loss led to zero income, a statement from the household that it has zero income is sufficient evidence that a household cannot reasonably anticipate income during the remainder of the certification period, unless questionable. In both scenarios, the CWD will need to consider the household members last day of work and last pay day to accurately determine the impact on the household's benefit amount.

CalFresh [MPP 63-504.422\(b\)](#) and federal SNAP regulations at [7 CFR 273.12\(c\)\(1\)\(ii\)](#) both state that for reports made voluntarily mid-period which result in an increase in a household's benefits due to a decrease of \$50 or more in the household's gross monthly income, the CWD must make the change effective no later than the month following the month in which the change is reported. If the change is reported after the 20th day of a month and it is too late for the CWD to adjust the following month's allotment, the CWD shall issue an underpayment and provide an opportunity for the household to obtain the increase in benefits by the 10th day of the following month.

Verifying Questionable Information

The CWD must document in the case record why reported information is questionable before requesting verification from the household. As with mandatory verifications, when verifying questionable information CWDs cannot require a specific type of verification. Verification can be secured using methods such as, but not limited to, documentary evidence, electronic verification, collateral contacts, and client statement. When certain verification methods are unavailable to the household, the CWD must continue to use the best available information.

Impact of Coronavirus Disease 2019 (COVID-19) Pandemic

As a result of the COVID-19 pandemic, many CalFresh recipients have lost essential earned income and many Californians who were not previously CalFresh-eligible are now turning to CalFresh for critical food assistance. The California Department of Social Services and our county partners recognize the importance of assisting newly eligible applicants and supporting currently eligible recipients in maintaining their CalFresh benefits during this unprecedented time of need. Recognizing the significant job loss that has recently occurred, the policy guidance provided via this ACL is intended to support CWDs in continuing to accurately process CalFresh applications and voluntary reports of changes in household circumstances, while maintaining access to CalFresh benefits.

Quality Control

Federal SNAP regulations at [7 CFR 273.2\(f\)\(6\)](#) require that the case record provide sufficient documentation to support eligibility, ineligibility, and benefit level determinations. Documentation must provide enough detail to permit a reviewer to determine the reasonableness and accuracy of the determination. Especially when requiring verification of questionable information, CWDs are reminded to adequately document the case record.

If you have any questions regarding this ACL, please contact the CalFresh Policy and Employment Bureau at CalFreshPolicy@dss.ca.gov.

Sincerely,

Original Document Signed By

JENNIFER HERNANDEZ
Deputy Director
Family Engagement and Empowerment Division