

Amend Section 63-102 to read:

63-102 DEFINITIONS

63-102

(Continued)

(b) Section 63-102(b)(1)(~~MR~~QR) shall become inoperative and Section 63-102(b)(1)(~~QR~~) shall become operative in that a county on the date SAR becomes effective, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR)(1) "Beginning Months" in a retrospective budgeting system means the first month the household is certified for food stamps and the month thereafter. For households applying for food stamps and PA benefits at the same time, a third beginning month shall be assigned if necessary for the household to transition from prospective to retrospective budgeting during the same months for both food stamps and PA. The first beginning month cannot be any month which immediately follows a month in which a household is certified and subject to retrospective budgeting in any project area. The month following the month of suspension shall not be considered a beginning month.~~

~~(2) "Budget Month" in a retrospective budgeting system means the month from which income and other circumstances (except household composition) of the household are used to calculate the household's allotment for the corresponding issuance month.~~

~~(3) "Bulk storage point" means a location which receives and stores coupons from FNS for two or more CWDs and transfers them to issuance agents. It must report coupon inventories on the FNS-250. Coupons are not issued to recipients from bulk storage points.~~

(QR) (1) (Continued)

(c) (1) "Calendar month"

(2) "CalFresh" means the name of the federal Supplemental Nutritional Assistance Program (SNAP) in California.

~~(23)~~ "California Food Assistance Program (CFAP)" (Continued)

~~(34)~~ "Categorical Eligibility" (Continued)

~~(45)~~ "Child/spousal support disregard payment" (Continued)

~~(56)~~ "Claims collection point" (Continued)

~~(67)~~ "Combined Households" (Continued)

~~(78)~~ "Commercial boarding house" (Continued)

- (89) "Communal dining facility" (Continued)
- (910) "Compliance with CWD Time Limits" (Continued)
- (1011)"County agency (CWD)" (Continued)
- ~~(11) Section 63-102(c)(11)(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.~~
- (QR12) "Change Reporting Household" means a household consisting of seasonal and/or migrant farmworkers, all elderly or disabled individuals or households with all homeless individuals. These households are required to report income, resource and household circumstance changes within 10 days of the occurrence. Benefits are increased or decreased based on these reported changes.
- ~~(12) Section 63-102(c)(12)(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.~~
- (QR13) "Conversion Factor" means a figure used to convert income paid on a weekly or bi-weekly basis to a monthly averaged figure. Weekly amounts are multiplied by 4.33 and bi-weekly amounts by 2.167.
- ~~(1314)Section 63-102(c)(1314)(QR) shall become inoperative in a county and Section 63-102(c)(14)(SAR) shall become effective on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.~~
- (QR) "County Initiated Mid-Quarter Actions" means the changes in eligibility status based on case information that the CWD is required to act on mid-quarter such as sanctions, financial penalties, approval of benefits in another household, or the end of an inter-county transfer, or cost-of-living changes.
- (SAR) "County Initiated Mid-Period Actions" means the changes in eligibility status based on case information that the CWD is required to act on mid-period such as sanctions, financial penalties, approval of benefits in another household, or the end of an inter-count transfer, or cost-of-living changes. CWDs shall act on changes in eligibility status will be done at the end of the month in which timely and adequate notice can be provided, even if it results in a decrease in benefits.
- (1415) "Coupon" (Continued)
- (1516) "Coupon issuer" (Continued)
- (e) (5) Section 63-102(e)(5)(~~MRQR~~) shall become inoperative and Section 63-102(e)(5)(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR

Declaration.

~~(MR) "Extended Filing Date" in a monthly reporting system is by close of business on the first working day of the issuance month and is the final date by which the household must submit a complete CA 7, including all required verification without penalty of termination of eligibility or disallowance of deductions.~~

(QR) "Extended Filing Date" in a QR system is by close of business on the first working day of the new QR quarter and is the final date by which the household must submit a complete Quarterly Report (QR 7), including all required verification, without penalty of termination of eligibility or disallowance of deductions.

(SAR) "Extended Filing Date" in a Semi-Annual Reporting system is by close of business on the first working day of the month following the Submit Month and is the final date by which the household must submit a complete mid-period report or recertification, including all required verification, without penalty of termination of eligibility or disallowance of deductions.

(f) ~~(3) "Fingerprint Imaging" is the process that automatically scans an individual's fingerprint and produces a fingerprint image. This image is added to the Statewide Fingerprint Imaging System (SFIS) database.~~

~~(43) "Fleeing felon" (Continued)~~

~~(54) "Food Stamp Act" (Continued)~~

(i) (6) Section 63-102(i)(6)(QR) shall become inoperative and Section 63-102(i)(6)(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

(QR) "Income Reporting Threshold (IRT)" means the level of income that triggers the need for a CalWORKs Assistance Unit (AU) to make a mandatory mid-quarter report of a change in income. The IRT is the greater of 130 percent of the Federal Poverty Level (FPL) or the level at which an AU become financially ineligible in the CalWORKs program.

(SAR) "Income Reporting Threshold (IRT)" means the level likely to render a CalFresh household ineligible for CalFresh benefits (130 percent of FPL). (Continued)

(10) Section 63-102(i)(10)~~(MRQR)~~ shall become inoperative and Section 63-102(i)(10)~~(QRSAR)~~ shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) "Issuance Month" in a monthly reporting and retrospective budgeting system means the month for which a food stamp allotment is issued. The allotment is based on~~

~~income and circumstances in the corresponding budget month. In prospective budgeting, the budget month and issuance month are the same. In retrospective budgeting, the issuance month is the second month after the budget month.~~

(QR) "Issuance Month" in a QR/PB system means any month during a quarter for which a food stamp allotment is issued.

(SAR) "Issuance Month" in a SAR system means any month during the SAR Payment Period in which benefits are paid/issued. (Continued)

(m) (7) Section 63-102(m)(7)(QR) shall become inoperative and Section 63-102(m)(7)(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

(QR) "Mid-Quarter Change" means any change reported during the QR Payment Quarter that is outside the QR 7 report process. There are two types of mid-quarter reports: (1) mandatory reports are reports households are required to make within 10 days of the occurrence, and (2) voluntary reports are reports that households may make to the CWD during the quarter if the household wants benefits increased mid-quarter. CWDs shall only take action to change benefits based on voluntary mid-quarter reports when benefits increase as a result of the reported change. No action based on a voluntary mid-quarter report shall be taken to decrease benefits.

(SAR) "Mid-Period Change" means any change reported during the SAR Payment Period that is outside of the periodic report or recertification. There are two types of mid-period reports: (1) Mandatory Recipient Mid-Period Reports: changes the households are required to report. (2) Voluntary Mid-Period Recipient Reports: changes that are not required to be reported. (Continued)

(n) (1) "Nonassistance CalFresh (NACF)" means a household which receives CalFresh benefits and in which none or less than all of its members also receive public assistance.

~~(1)~~ (2) "Nonassistance Household" (Continued)

~~(2)~~ (3) "Nonliquid Resources" (Continued)

~~(3)~~ (4) "Nonprofit cooperative food purchasing venture" (Continued)

~~(4)~~ (5) "Notice of Action" (Continued)

~~(5)~~ (6) "Notice of Missed Interview (NOMI)" (Continued)

(p) (5) ~~"Photo Imaging" means the process that automatically scans an individual's facial features and produces a facial image. The image is added to the statewide SFIS database.~~

~~(65)~~ "Prescreening" (Continued)

~~(76)~~ "Program" (Continued)

~~(87)~~ "Project area" (Continued)

~~(98)~~ A "project area code" (Continued)

~~(409)~~ "Prospective Budgeting" (Continued)

~~(4110)~~ "Prospective Eligibility" (Continued)

~~(4211)~~ "Public Assistance (PA)" (Continued)

(12) "Public Assistance CalFresh (PACF)" means a household that receives both public assistance and CalFresh benefits. (Continued)

(q) Sections 63-102(q)(1) through (5) shall become inoperative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration. (Continued)

(r) (1) Section 63-102(r)(1)(QR) shall become inoperative and Section 63-102(r)(1)(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

(QR) "Reasonably Anticipated Income and Expenses" means income and expenses that have been or will be approved or authorized as of a date within the upcoming QR Payment Quarter and the amount of income is known, or the household is otherwise reasonably certain that the income will be received within the quarter and the amount of income is known. (See Sections 63-509(a)(2) and (3).)

(SAR) "Reasonably Anticipated Income and Expenses" means income and expenses amounts that the CWD and recipient have determined are reasonably certain to occur during the SAR Payment Period.

~~(7) Section 63-102(r)(7)(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR) "Report Month" means the month in a monthly reporting and retrospective budgeting system during which the CA 7 from the budget month is due and the month during which the household's allotment for the issuance month is calculated. The report month is between the budget month and the issuance month.~~

~~(87)~~ The "reporting point code" (Continued)

- (98) A "reporting point" (Continued)
- (409) "Retail food store" (Continued)
- (11) ~~Section 63-102(r)(11)(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~
- ~~(MR) "Retrospective Budgeting" means the computation of a household's food stamp allotment for an issuance month based on actual income and circumstances which existed in the budget month.~~
- (4210) Request for Information (RFI)" (Continued)
- (s) (1) "SAR" means Semi-Annual Reporting.
- (2) "SAR Data Month" means the month for which the recipient reports all information necessary to determine eligibility. The SAR Data Month is the fifth month of each semi-annual period.
- (3) "SAR Payment Period" means the period in which benefits are paid/issued. The SAR Payment Period is the six-month period immediately following the SAR Submit Month. This is the six month period after the beginning date of aid, initial application or recertification.
- (4) "SAR Submit Month" means the month for which the periodic report or recertification forms are required to be submitted to the CWD. This is the month after the SAR Data Month, and is the sixth month of each semi-annual period.
- (45) "Seasonal Farmworker" (Continued)
- (26) "Self-employed farmer" (Continued)
- (37) "Self-employed fisherman" (Continued)
- (8) "Semi-Annual" means six consecutive calendar months.
- (9) "Semi-Annual Report" means the report a recipient shall provide at six months of a 12 month certification period.
- (410) "Shelter for Battered Women and Children" (Continued)
- (511) A "shipping code" (Continued)
- (612) A "shipping point" (Continued)
- (713) "Sponsor" (Continued)

~~(814)~~ "Sponsored Noncitizen" (Continued)

~~(915)~~ "Spouse" (Continued)

~~(4016)~~ "Staple food" (Continued)

~~(4117)~~ "State agency (CDSS)" (Continued)

~~(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.

~~(4318)~~ A "storage point" (Continued)

(19) "Supplemental Nutritional Assistance Program (SNAP)" means the federal food assistance program.

~~(4420)~~ "Supplemental Security Income (SSI)" (Continued)

~~(4521)~~ "Suspended Claim" (Continued)

(t) (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.

(v) (2) "Verified Upon Receipt (VUR)" means the information provided is not questionable, the provider is the primary source of the information, and no further information is needed to take action. Primary source information includes but is not limited to: BENDEX and SDX from the Social Security Administration, SAVE from the US Citizenship and Immigration Services, unemployment compensation from the State Unemployment agency, workers compensation from the state agency. Internal agency information includes but is not limited to; state agency determination of an IPV, actions taken by other programs within the county agency that affect CF expenses, information from a state, county or local work agency that a client failed to comply with work requirements.

If secondary information is required for verification in order to act on a change in another program (such as Medi-Cal), then by definition it is not VUR. Documentation may constitute verification in another program without being considered VUR in CF.

Authority cited: Sections 10553, 10554, 11265.1, .2 and .3, 18900.1, 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, (a)(5)(vi)(B)(2) 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; Assembly Bill (AB) 6, (Chapter 501, Statutes of 2011); 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; United States Department of Agriculture, Office of Inspector General Audit, Number 27002-0011-13, dated September 28, 2012; FY 2012 Integrity Conferences and State Visits Questions and Answers (no date provided); 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.

Amend Section 63-300 to read:

63-300 APPLICATION PROCESS (Continued)

63-300

.2 Application Form and Form Deviation

Section 63-300.2~~(MR)~~ (QR) shall become inoperative and Section 63-300.2~~(QR)~~ (SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's~~ QR/PB County's SAR Declaration.

~~(MR)All applications for Food Stamp Program eligibility shall be made on the DFA 285-A1, DFA 285-A2, and DFA 285-A3. For households which apply for both AFDC and Food Stamps at the same time, the SAWS 1 CA1/DFA 285-A1, and BC JA 2 CA2/DFA 285-A2, and SAWS 2A CA2/DFA 285-A2/MC 210 shall be used. These forms also may be used for Food Stamp only cases. These joint application forms also may be used for food stamp and/or General Assistance (GA) cases.~~

(QR) All applications for Food Stamp Program eligibility shall be made on the DFA 285-A1, DFA 285-A2, and DFA 285-A3 QR. For households which apply for both CalWORKs and food stamps at the same time, the SAWS 1 CA1/DFA 285-A1, and BC JA 2 CA2/DFA 285-A2, and SAWS 2A QR/DFA 285-A2/MC 210 shall be used. These joint application forms also may be used for food stamp only cases and/or General Assistance (GA) cases.

(SAR)All applications for CalFresh Program eligibility shall be made on the appropriate application forms for Non-Assistance CalFresh households. For households which apply for both CalWORKs and CalFresh at the same time, the appropriate application forms for Public Assistance CalFresh households shall be used. These joint application forms also may be used for CalFresh only cases and/or General Assistance (GA) cases.

.21 (Continued)

.24 Section 63-300.24~~(MR)~~ (QR) shall become inoperative and Section 63-300.24~~(QR)~~(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's~~ QR/PB County's SAR Declaration.

~~(MR)Recertification of Monthly Reporting Households~~

~~Households subject to Food Stamp monthly reporting requirements shall have their Food Stamp eligibility redetermined by using the forms specified in Section 63-300.2 and the CA 7 for the budget month that corresponds to the first month of the new certification period.~~

(QR) Recertification of Quarterly Reporting Households

(SAR)Recertification of Semi-Annual Reporting Households

(QR) Households subject to food stamp QR requirements shall have their food stamp eligibility redetermined by using the forms specified in Section 63-300.2 and the QR 7 for the Data Month of the quarter corresponding to the last month of the certification period.

(SAR) Households subject to CalFresh SAR requirements shall have their CalFresh eligibility redetermined by using the forms specified in Section 63-300.2 and the periodic report for the Data Month of the period corresponding to the last month of the certification period.

.25 ~~Section 63-300.25(MR) shall become inoperative and Section 63-300.25(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) Recertification of Nonmonthly Reporting Households~~

~~(MR) Nonmonthly reporting households shall have their Food Stamp eligibility redetermined by using the forms specified in Section 63-300.2.~~

~~(QR) Recertification of Change Reporting Households~~

~~(QR) Change reporting households shall have their food stamp CalFresh eligibility redetermined by using the forms specified in Section 63-300.2.\~~

.4 (Continued)

.41 Sections 63-300.41 et seq. ~~(MR)~~ (QR) shall become inoperative and Sections 63-300.41 et seq. ~~(QR)~~ (SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR) The CWD at the time of the interview, shall determine which households shall be subject to monthly reporting and/or retrospective budgeting, as specified in Section 63-505.2. Households subject to monthly reporting and/or retrospective budgeting requirements shall be provided with the following at the certification and recertification interviews:~~

~~(MR).411—Written and verbal explanations of monthly reporting/retrospective budgeting;~~

~~(MR).412—A copy of the CA 7 report and an explanation of how the report shall be completed and submitted;~~

~~(MR).413—An explanation of the monthly reporting verification requirements that the household is responsible for meeting;~~

~~(MR).414 A telephone number (toll-free or a number where collect calls will be accepted from households living outside the local calling area) which the household may call to ask questions or to obtain help in completing the monthly report.~~

(QR) The CWD at the time of the initial application interview shall determine which households shall be subject to QR/PB, as specified in Section 63-505.2. The CWD may require those households subject to QR/PB requirements to have a face-to-face interview during the recertification process. For those QR/PB households that are not required to have a face-to-face recertification interview, the CWD shall conduct an interview by telephone, in accordance with Section 63-300.45.

Households subject to QR/PB requirements shall be provided with the following during the certification and recertification process:

(QR).411 Written and verbal explanations of QR/PB;

(QR).412 A copy of the QR 7 report and an explanation of how the report shall be completed and submitted;

(QR).413 An explanation of the QR verification requirements that the household is responsible for meeting;

(QR).414 A telephone number (toll-free or a number where collect calls will be accepted from households living outside the local calling area) which the household may call to ask questions or to obtain help in completing the quarterly report.

(SAR) The CWD at the time of the initial application interview shall determine which households shall be subject to SAR, as specified in Section 63-505.2. The CWD may require those households subject to SAR requirements to have a face-to-face interview during the recertification process. For those SAR households that are not required to have a face-to-face recertification interview, the CWD shall conduct an interview by telephone, in accordance with Section 63-300.45.

Households subject to SAR requirements shall be provided with the following during the certification and recertification process:

(SAR).411 Written and verbal explanations of SAR;

(SAR).412 A copy of the periodic report and an explanation of how the report shall be completed and submitted;

(SAR).413 An explanation of the SAR verification requirements that the household is responsible for meeting;

(SAR).414 A telephone number (toll-free or a number where collect calls will be accepted

from households living outside the local calling area) which the household may call to ask questions or to obtain help in completing the periodic report.
(Continued)

.45 (continued)

~~.451 The CWD shall attempt to complete all SFIS requirements not completed at time of certification, when the household member(s) is/are in the office for any reason. The CWD shall not require the household member to make a special trip into the office solely for the purpose of the SFIS compliance. However, a household that has not met SFIS requirements during the initial certification period must satisfy the SFIS requirements by the end of the household's initial certification period or prior to being recertified. If the household member does not comply with SFIS requirements, the CWD must take appropriate action as specified in Section 63-505.14.~~

.46 (Continued)

.464 Scheduling Recertification Interviews

Section 63-300.464(a)(QR) shall become inoperative and Section 63-300.464(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the Director's SAR Declaration.

(a)(QR) As part of the recertification process, the CWD must conduct a face-to-face interview with a member of the household or its authorized representative at least once every 12 months for households certified for 12 months or less. The requirement for a face-to-face interview once every 12 months may be waived in accordance with Sections 63-300.43 and .44 or not required in accordance with Section 63-300.41(QR).

(SAR) As part of the recertification process, the CWD must conduct a face-to-face interview with a member of the household or its authorized representative at least once every 12 months for households certified for 12 months or less. The requirement for a face-to-face interview once every 12 months may be waived in accordance with Sections 63-300.43 and .44 or not required in accordance with Section 63-300.41(SAR).

.5 Verification (Continued)

(d) Section 63-300.5(d)(MR)(QR) shall become inoperative and Section 63-300.5(d)(QR)(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR) If the expense cannot be verified within 30 days of the date of application, the CWD shall determine the household's eligibility and benefit level without providing a deduction for the unverified expense. If the household subsequently provides the missing verification, the CWD shall redetermine the household's benefits, and provide increased benefits, if any, in accordance with the timeliness standards in Section 63-504.35 for monthly reporting households and Section 63-504.42 for nonmonthly reporting households.~~

~~The household shall be entitled to the restoration retroactive to the month of application of benefits denied as a result of the disallowance of the expense, only if the expense could not be verified within the 30-day processing standard because the CWD failed to allow the household sufficient time, as defined in Section 63-301.4, to verify the expense. If the household would be ineligible unless the expense is allowed, the household's application shall be handled as provided in Section 63-301.4.~~

~~For verification requirements for the CA 7, refer to Sections 63-504.325, .326 and .341.~~

(QR) If the expense cannot be verified within 30 days of the date of application, the CWD shall determine the household's eligibility and benefit level without providing a deduction for the unverified expense. If the household subsequently provides the missing verification, the CWD shall redetermine the household's benefits, and provide increased benefits, if any, in accordance with the timeliness standards in Section 63-508.66 for QR households and Section 63-504.42 for change reporting households.

The household shall be entitled to the restoration retroactive to the month of application of benefits denied as a result of the disallowance of the expense, only if the expense could not be verified within the 30-day processing standard because the CWD failed to allow the household sufficient time, as defined in Section 63-301.4, to verify the expense. If the household would be ineligible unless the expense is allowed, the household's application shall be handled as provided in Section 63-301.4.

For verification requirements for the QR 7, refer to Sections 63-508.45 and 63-508.613.

(SAR) If the expense cannot be verified within 30 days of the date of application, the CWD shall determine the household's eligibility and benefit level without providing a deduction for the unverified expense. If the household subsequently provides the missing verification, the CWD shall redetermine the household's benefits, and provide increased benefits, if any, in accordance with the timeliness standards in Section 63-504.42 for SAR households.

The household shall be entitled to the restoration retroactive to the month of application of benefits denied as a result of the disallowance of the expense, only if the expense could not be verified within the 30-day processing standard because the CWD failed to allow the household sufficient time, as defined in Section 63-301.4, to verify the expense. If the household would be ineligible unless the expense is allowed, the household's application shall be handled as provided in Section 63-301.4.

For verification requirements for the SAR 7, refer to sections 63-504.421(SAR), .422(SAR), .423(SAR). (Continued)

.6 Receipt of Verification/Documentation

Upon Request, CWDs shall provide a written receipt to any applicant or recipient who hand delivers documents that have been requested by the CWD. Receipts shall only be provided for documents which have been delivered in person to a CWD employee other than the applicant's or recipient's regularly assigned caseworker and to the location in which or through which the caseworker and to the location in which or through which the caseworker conducts his or her business. (Only one receipt is required for ~~monthly~~ income reports and their supporting documents.)

.62 (Continued)

.623 Section 63-300.623~~(MR)~~ (QR) shall become inoperative and Section 63-300.623~~(QR)~~ (SAR) shall become operative in a county on the date ~~QR/PB SAR~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ County's SAR Declaration.

~~(MR) A CWD which receives monthly income reports and other requested documents which have been mailed by the applicant or recipient shall not be subject to the requirements in this section.~~

(QR) A CWD which receives quarterly income/eligibility reports and other requested documents which have been mailed by the applicant or recipient shall not be subject to the requirements in this section.

(SAR) A CWD which receives semi-annual income/eligibility reports and other requested documents which have been mailed by the applicant or recipient shall not be subject to the requirements in this section.

Authority cited: Sections 10554, 11265.1, .2 and .3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11023.5, 11265.1, .2, and .3, 11348.5, 18901.10, 18904, 18910, and 18932, Welfare and Institutions Code; 7 Code of Federal

Regulations (CFR) 271.2, 273.2(b)(ii), (c)(2)(i) and (ii), (c)(3), (c)(5), (e)(1), (e)(2), (e)(3), (f)(1)(i)(C), (ii)(B)(1), (2), (3), and (C), and (iii)(h)(1)(i)(D), and proposed (f)(1)(xii) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, (f)(3), (f)(3)(ii), (f)(8), (h), (h)(1)(i)(D), and (j)(1); 7 CFR 273.4(a)(2) and (10) and (c)(2); 7 CFR 273.7(i)(4) and (j)(1); 7 CFR 273.12(c) and (c)(3); 7 CFR 273.14(b)(3)(i), (iii) and (b)(4) and (e); 7 CFR 273.21(h)(2)(iv), (i), and (j)(3)(iii)(B); USDA Food and Nutrition Service (FNS) Office, Western Region, Administrative Notice 84-56, Indexed Policy Memo 84-23; FNS Quarterly Reporting/Prospective Budgeting waiver dated April 1, 2003; USDA, FNS Waiver # 2070014; 7 U.S.C.A. 2020(e)(2); Americans with Disabilities Act (ADA), Public Law (P.L.) 101-336, 1990; U.S.D.A., Food and Consumer Services, Administrative Notice No. 94-22, dated January 7, 1994; Assembly Bill (AB) 6, Chapter 501, Statutes of 2011; AB 444 (Chapter 1022, Statutes of 2002); Chapter 306, Statutes of 1988, and AB 1371, Chapter 306, Statutes of 1995; Blanco v. Anderson Court Order, United States District Court, Eastern District of California, No. CIV-S-93-859 WBS, JFM, dated January 3, 1995, and Federal Register, Vol. 66, No. 229, dated November 28, 2001

Amend Section 63-301 to read:

.5 (Continued)

.54 (Continued)

.544 (Continued)

(a) One-Month Certification

Section 63-301.544(a)(~~MR~~) (QR) shall become inoperative and Section 63-301.544(a)(~~QR~~) (SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Nonmonthly reporting households that apply on or before the 15th day of the calendar or fiscal month shall be certified for one month only.~~

~~(1) Benefits for the initial month shall be prorated from the date the application was filed to the end of that calendar or fiscal month.~~

~~(2) Households shall reapply and complete the verification which was postponed, unless they have been certified under normal processing standards since the last expedited certification.~~

(QR) Change reporting households that apply on or before the 15th day of the calendar or fiscal month shall be certified for one month only.

(SAR) Change reporting households that apply on or before the 15th day of the calendar or fiscal month shall be certified for one month only.

(1) Benefits for the initial month shall be prorated from the date the application was filed to the end of that calendar or fiscal month.

(2) Households shall reapply and complete the verification which was postponed, unless they have been certified under normal processing standards since the last expedited certification.

(b) Longer Than One-Month Certification

(1) Section 63-301.544(b)(1)(~~MR~~) (QR) shall become inoperative and Section 63-301.544(b)(1)(~~QR~~) (SAR) shall become operative in a county on the date QR/PB SAR becomes

effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Nonmonthly reporting households applying after the 15th day of the calendar or fiscal month shall be certified only for the month of application, and the subsequent month.~~

(QR) Change reporting households applying after the 15th day of the calendar or fiscal month shall be certified only for the month of application, and the subsequent month.

(SAR) Change reporting households applying after the 15th day of the calendar or fiscal month shall be certified only for the month of application, and the subsequent month.

(2) Section 63-301.544(b)(2)~~(MR)(QR)~~ shall become inoperative and Section 63-301.544(b)(2)~~(QR)~~ (SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Monthly reporting households shall be assigned a normal certification period as specified in Section 63-504.1.~~

(QR) QR households shall be assigned a normal certification period as specified in Section 63-504.1.

(SAR) SAR households shall be assigned a normal certification period as specified in Section 63-504.1. (Continued)

.7 (Continued)

.71 Section 63-301.71~~(MR)(QR)~~ shall become inoperative and Section 63-301.71~~(QR)~~ (SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Households subject to retrospective budgeting that have been suspended for PA purposes or that receive zero benefits.~~

(QR) Households subject to QR that receive zero benefits.

(SAR) Households subject to SAR that receive zero benefits. (Continued)

.74 (Continued)

. 742 Section 63-301.742~~(MR)~~(QR) shall become inoperative and Section 63-301.742~~(QR)~~(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) The household fails to comply with the monthly reporting requirements specified in Section 63-504.32, and Sections 63-505.2, .3, and .4;~~

(QR) The household fails to comply with the QR requirements specified in Sections 63-508.4 and .613;

(SAR) The household fails to comply with the SAR requirements specified in Sections 63-504.42, 505.2, .3 and .4;

Authority cited: Sections 10554, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901, 18904, and 18910, Welfare and Institutions Code; Section 11349.1, Government Code; 7 Code of Federal Regulations (CFR) 271.2; 7 CFR 272.3(c)(1)(ii); 7 CFR 273.2(d)(1), (e)(3), (h)(1)(C), (h)(1)(i)(B) and (D), (h)(2)(i)(A), (i)(4)(iii)(B), (C) and (D),(j), (j)(1), (j)(1)(iv), (j)(2)(iii) and (iv), (j)(3), (j)(4), and (j)(4)(vi); 7 CFR 273.4; 7 CFR 273.7 and .7(g)(1)(i); 7 CFR 273.8(e)(17); 7 CFR 273.9(d)(7) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.10(c)(1) and (g)(1)(ii); 7 CFR 274.2; (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) [Dock. No. CV-89-0768].); Public Law (P.L.) 102-237, Sections 902 and 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; USDA, Food and Consumer Service, Administrative Notice 97-105, dated August 21, 1997; and P.L. 104-193, Sections 815 and 838 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Assembly Bill 6, (Chapter 501, Statutes of 2011); Food and Consumer Service Waiver dated May 24, 1996; Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver dated April 1, 2003; Federal Food Stamp Policy Memos 82-9 dated December 8, 1981, and 88-4 dated November 13, 1987, and Federal Register, Vol. 66, No. 229, dated November 28, 2001.

Amend section 63-410 to read:

63-410 FOOD STAMP WORK REQUIREMENT FOR ABLE-BODIED ADULTS WITHOUT DEPENDENTS (ABAWD) 63-410

.2 (Continued)

.21 (Continued)

.211 (Continued)

- (a) The ~~food-stamp~~ CalFresh recipient shall submit documentation verifying the number of hours worked.

Section 63-410.211(a)(1)(QR) shall become inoperative and Section 63-410.211(a)(1)(SAR) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

- ~~(QR)~~ (QR1) A ~~food-stamp~~ CalFresh recipient who is satisfying the ABAWD work requirement through employment must report within 10 days when hours of work drop to below 20 hours per week or 80 hours per month. This mandatory recipient mid-quarter reporting requirement does not apply to persons who meet one of the exemptions at Section 63-410.3 or live in a county with an approved ABAWD waiver. Persons who are satisfying the ABAWD work requirement through a combination of education/training and employment of less than 20 hours per week are not subject to the mid-quarter requirement when hours of employment are reduced.

- (SAR) A CalFresh recipient who is satisfying the ABAWD work requirement through employment must report within 10 days when hours of work drop to below 20 hours per week or 80 hours per month. This mandatory recipient mid-period reporting requirement does not apply to persons who meet one of the exemptions at Section 63-410.3 or live in a county with an approved ABAWD waiver. Persons who are satisfying the ABAWD work requirement through a combination of education/training and employment of less than 20 hours per week are not subject to the mid-period requirement when hours of employment are reduced. A reduction in the number of hours in unpaid county-supervised work activities, such as workfare, will not be subject to mandatory recipient mid-period reporting.

(b) (Continued)

.6 Section 63-410.6(QR) shall become inoperative and Section 63-410.6(SAR) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

(QR) Treatment of ABAWD Months for Quarterly Reporting

(SAR) Treatment of ABAWD Months for Semi-Annual Reporting

~~(QR).61~~ (QR)-61 A county shall take a county-initiated mid-quarter action to discontinue a case whenever an ABAWD uses up three out of 36 months. A county-initiated action shall also be taken when an ABAWD's three consecutive-month period identified in Section 63-410.52 is completed and to an ABAWD who has regained eligibility and subsequently stops meeting the work requirement.

(SAR) A county shall take a county-initiated mid-period action to discontinue a case whenever individual fails to meet the ABAWD work requirement for three countable months during a 36-month period. A county-initiated action shall also be taken when an ABAWD's three consecutive-month period identified in Section 63-410.52 is completed and when an ABAWD who has regained eligibility and subsequently stops meeting the work requirement.

Authority cited: Sections 10553, 10554, 11265.1, .2, and .3, 18900.1, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code; 7 U.S.C. 2015(d) and (o); instructions received from Dennis Stewart, Regional Director of the Food Stamp Program, Food and Nutrition Service (FNS) dated April 21, 1998, 7 CFR 273.7(f); 7 CFR 273.13; 7 CFR 273.24(b), (c), (e), and (g); 45 CFR 400.154; FNS policy interpretation dated September 16, 2003; FNS letter dated July 25, 2003; and Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver dated April 1, 2003; Assembly Bill 6, (Chapter 501, Statutes of 2011).

Amend Section 63-501 to read:

63-501 RESOURCE DETERMINATIONS

63-501

.3 (Continued)

(m) (Continued)

(2) Section 63-501.3(m)(2)(~~MR~~)(QR) shall become inoperative and Section 63-501.3(m)(2)(~~QR~~)(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Any federal, state or local EITC payment received by any household member shall be excluded for 12 months, provided the household was participating in the Food Stamp Program at the time of receipt of the earned income tax credit and provided the household participates continuously during that 12-month period. Continuous participation includes breaks in participation of one month or less due to administrative reasons, such as delayed recertifications or missing or late CA 7s.~~

(QR) Any federal, state or local EITC payment received by any household member shall be excluded for 12 months, provided the household was participating in the Food Stamp Program at the time of receipt of the earned income tax credit and provided the household participates continuously during that 12-month period. Continuous participation includes breaks in participation of one month or less due to administrative reasons, such as delayed recertifications or missing or late QR 7s.

(SAR) Any federal, state or local EITC payment received by any household member shall be excluded for 12 months, provided the household was participating in the CalFresh Program at the time of receipt of the earned income tax credit and provided the household participates continuously during that 12-month period. Continuous participation includes breaks in participation of one month or less due to administrative reasons, such as delayed recertifications or missing or late periodic report.

(3) (Continued)

Authority cited: Sections 10553, 10554, 11209, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code. Reference: Sections 10554, 11265.1, .2, and .3, 18901, 18901.9, 18904, and 18910, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 272.8(e)(17); 7 CFR 273.2(j)(4); 7 CFR 273.8; 7 CFR 273.8(e)(11), (12)(ii), and (18); 7 CFR 273.8(f) and (h); Federal Register Volume 68, No. 168, Page 51933 published on August 29, 2003; Public Law (P.L.) 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 101-

201; P.L. 101-426, Section 6(h)(2), as specified in United States Department of Agriculture (U.S.D.A.), Food and Nutrition Service (FNS), Administrative Notice (AN) 91-37; P.L. 101-508, Section 11111(b); P.L. 101-624, Section 1715; P.L. 102-237, Section 905, as specified in Federal Administrative Notice 92-12, dated January 9, 1992; Section 2466d., Title 20, United States Code (U.S.C.); 7 U.S.C. 2014(d) and (g)(6)(A)(i); 26 U.S.C. 32(j)(5); 42 U.S.C.A. 5122 as amended by P.L. 100-707, Section 105(i); U.S.D.A., FNS, ANs 91-30 and 94-39; Index Policy Memo 90-22, dated July 12, 1990; U.S.D.A., FNS, AN 94-58, dated July 5, 1994; P.L. 104-193, Sections 810 and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Assembly Bill 6, (Chapter 501, Statutes of 2011); Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-503 to read:

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS

.1 Month of Application

.11 Section 63-503.11(QR) shall become inoperative and Section 63-501.11(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.

~~H(QR)~~ A household's eligibility shall be determined for the month of application by considering the household's circumstances as of the date of interview, except as specified in Sections ~~63-402.9~~ 63-402.8 (Strikers), 63-408 (Voluntary Quit), 63-501.6 (Resource Transfers), 63-503.22 (Reasonably Anticipated Income), and 63-503.43 (Destitute Households), and 63-301.7 and .82 (Categorically Eligible Households).

(SAR) A household's eligibility shall be determined for the month of application by considering the household's circumstances as of the date of interview, except as specified in Sections 63-402.8 (Strikers), 63-408 (Voluntary Quit), 63-501.6 (Resource Transfers), 63-503.22 (Reasonably Anticipated Income), and 63-503.43 (Destitute Households), and 63-301.7 and .82 (Categorically Eligible Households). If the household is not eligible in the month of application, their beginning date of aid will be the first month for which they are determined eligible.

.12 (Continued)

~~.14 Section 63-503.14(MR) shall become inoperative and Section 63-501.14(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) Because of reported, estimated or anticipated changes, a household may be eligible for the month of application, but ineligible in the subsequent month. The household shall be entitled to benefits for the month of application even if the processing of its application results in the benefits being issued in the subsequent month. (See Sections 63-504.1 for certification periods and Section 63-504.2 for notice requirements.) Similarly, a household may be ineligible for the month of application, but eligible in the subsequent month due to reported, estimated or anticipated changes in circumstances. Even though denied for the month of application, the household does not have to reapply in the subsequent month. The same application shall be used for the denial for the month of application, and for the determination of eligibility for subsequent months, within the timeliness standards in Section 63-301.1.~~

~~(QR) Determination of benefits in a change reporting household, based on reported, estimated or anticipated changes, may result in a household being eligible for the month of application, but ineligible in the subsequent month. The household shall be~~

entitled to benefits for the month of application even if the processing of its application results in the benefits being issued in the subsequent month. (See Sections 63-504.1 for certification periods and Section 63-504.2 for notice requirements.) Similarly, a household may be ineligible for the month of application, but eligible in the subsequent month due to reported, estimated or anticipated changes in circumstances. Even though denied for the month of application, the household does not have to reapply in the subsequent month. The same application shall be used for the denial for the month of application, and for the determination of eligibility for subsequent months, within the timeliness standards in Section 63-301.1.

.141 Section 63-503.141(QR) shall become inoperative and Section 63-503.141(SAR) will become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

(QR) Determination of benefits in a QR/PB household is also based upon reported, estimated and/or anticipated income over the QR Payment Quarter. The household shall be entitled to benefits if otherwise eligible in accordance with Sections 63-508 and 63-509.

(SAR) Determination of benefits will be based on information provided either on the initial application or at recertification and will be determined using prospective budgeting and reasonably anticipated income over the certification period and will be revised mid-period when the household submits its periodic report. The household shall be entitled to benefits if otherwise eligible in accordance with Sections 63-503.14 and 63-503.32

~~.15 Section 63-503.15(MR) shall become inoperative and Section 63-501.15(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)As a result of reported, estimated or anticipated changes, the household's allotment for the month of application may differ from its allotment in subsequent months. The household's allotment shall vary from month to month to reflect actual changes reported during the certification period or those changes anticipated at the time of certification unless the averaging techniques in Sections 63-503.212(b), .242(c) or .252 are used. The CWD shall establish the household's certification period in accordance with Section 63-504.1.~~

~~(QR)As a result of reported, estimated or anticipated changes in a change reporting household, the household's allotment for the month of application may differ from its allotment in subsequent months. The household's allotment shall vary from month to month to reflect actual changes reported during the certification period or those changes anticipated at the time of certification unless the averaging techniques in Sections 63-504.242(c), .252 or .411(b) are used. The CWD shall establish the~~

household's certification period in accordance with Section 63-504.1.

.151 Section 63-503.151(QR) shall become inoperative in a county on the date ~~QR/PBSAR~~ becomes effective in that county, pursuant to the Director's ~~QR/PB SAR~~ Declaration.

(QR) As a result of reported or anticipated changes in a QR household, the household's allotment for the month of application may differ from its allotment in subsequent months. The household's allotment may vary within the quarter to reflect changes reported during the QR Payment Quarter. The averaging techniques in Sections 63-509(a)(4), (a)(5) and (a)(6) are used to determine income in a quarter. The CWD shall establish the household's certification period in accordance with Section 63-504.1.

(SAR) As a result of reported or anticipated changes in a SAR household, the household's allotment for the month of application may differ from its allotment in subsequent months. The household's allotment may vary within the SAR to reflect changes reported during the certification period. If averaging is required, the averaging techniques in Sections 63-503.242(b)(SAR)(1) through (3) are used to determine income in a SAR period. The CWD shall establish the household's SAR Payment period in accordance with Section 63-504.1

~~.2~~ Determining Resources, Income and Deductions

~~.21 Sections 63-503.21 et seq.(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR)Prospective Budgeting in the Beginning Months for Households Who Shall be Subject to Retrospective Budgeting~~

~~(MR).211 Determining Resources~~

~~(MR) Except for households determined to be categorically eligible as specified in Sections 63-301.7 and .82, the household's resources at the time of the interview shall be used to determine the household's eligibility, in accordance with Sections 63-501 and 63-409.12.~~

~~(MR).212 Determining Income~~

~~(MR) The CWD shall determine food stamp eligibility according to the household's gross and/or net income as specified in Section 63-503.32. The CWD, in determining the household's eligibility, shall determine what sources are exempt from consideration as income per Section 63-502.14 and Section 63-~~

~~502.2. If an applicant household is destitute, as defined in Section 63-503.43, the CWD shall compute its gross income in accordance with Section 63-503.434.~~

~~(MR) (a) Actual Income~~

~~(MR) For purposes of determining the household's eligibility and level of benefits during the beginning months, the CWD shall take into account the actual income already received by the household during the month of application and any anticipated income the CWD and the household are reasonably certain will be received during the remaining beginning months. Income shall not be counted if its receipt is uncertain. If the exact amount of anticipated income is uncertain only that portion which can be anticipated with reasonable certainty shall be counted as income. In cases where the receipt of income is reasonably certain but the monthly amount may fluctuate, the household may elect to income average, as provided in Section 63-503.212(b).~~

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~~(MR) (1) The following are examples of how to determine anticipated income:~~

~~(MR) (A) The anticipated receipt of an initial PA/GA payment is counted in determining eligibility only if the PA/GA payment has been approved and authorized and will be issued within the month.~~

~~(MR) (B) The anticipated receipt of earned income, such as income from a new job, will only be counted if it can be determined with reasonable certainty that a specific amount of earnings will be received within the month, e.g., the person is currently employed or will be employed during the month and the pay day(s) is within the month.~~

~~(MR) (C) The anticipated receipt of other income, such as unemployment insurance benefits, will only be counted if it can be verified that benefits will be received within the month, e.g., award letter indicates the payment amount and that it can be expected by or on a specified date and that date falls within the month.~~

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~~(MR) (b) Averaging Income~~

~~Households subject to retrospective budgeting shall not have their income averaged, even if their income fluctuates from month to month, except as provided below:~~

- ~~(MR) (1) Self employment income received less often than monthly. Households which derive their annual income in a period of time shorter than one year shall have that income averaged over a 12 month period.~~
- ~~(MR) (2) Nonexcluded scholarship, deferred educational loan, and educational grant income received by households less often than monthly. Such income, after exclusions, shall be averaged over the period it is intended to cover and shall not be prospectively counted in the beginning months for retrospectively budgeted households.~~
- ~~(MR) (3) Contract income received by households which derive their annual income in a period of time shorter than one year. Such income shall be averaged over the period it is intended to cover, provided the income from the contract is not earned on an hourly or piece work basis. Such income shall not be prospectively counted in the beginning months for retrospectively budgeted households.~~
- ~~(MR) (e) Income Only in the Month Received~~
 - ~~(MR) (1) Income anticipated during the beginning months shall be counted as income only in the month it is expected to be received, unless the income is averaged. Whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the CWD shall use the exact monthly amount whenever possible. If the exact amount is not available, the CWD shall use the amount which is reasonably certain to be received in accordance with Section 63 503.212(a).~~
 - ~~(MR) (2) Wages held at the request of the employee shall be considered income to the household in the month the wages would otherwise have been paid by the employer. Wages held by the employer, as a general practice, even if in violation of the law, shall not be counted as income to the household. If the household anticipates that it will ask for and receive an advance, the advance shall be counted as income. Income from wages that were previously held by the employer as a general practice and not previously counted as income by the CWD shall be counted as income in the month received. Advances on wages shall count as income in the month received only if~~

~~the CWD is reasonably certain of its receipt, in accordance with Section 63-503.212(a).~~

~~(MR) (3) The CWD shall budget stable earned and unearned income which is received on a regular basis as a single monthly payment for the month such income is intended to cover. Households receiving such income shall not have their monthly income varied merely because mailing or payment cycles may cause two payments to be received in one month and none in the next month.~~

~~.22 Sections 63-503.22 et seq.(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR)Transitioning Households from Prospective to Retrospective Budgeting~~

~~A household's benefit level shall be computed prospectively during the beginning months of the household's certification period by considering all factors of eligibility. The prospective determination of eligibility and benefit level shall be based on the income and other circumstances that the CWD is reasonably certain will exist for that household during the beginning months as specified in Section 63-503.212(a).~~

~~(MR).221 If the household has two beginning months, when the CWD receives the household's first CA 7 during the second beginning month, the CWD shall continue to prospectively determine the household's eligibility, but the CWD shall issue benefits retrospectively for month three based on the actual information reported on the CA 7 for month one except as specified in Section 63-503.232(e).~~

~~(MR).222 If the household has three beginning months, when the CWD receives the household's second CA 7 during the third beginning month, the CWD shall continue to prospectively determine the household's eligibility. The CWD shall commence issuing benefits retrospectively for month four based on the actual information reported on the CA 7 for month two, except as specified in Section 63-503.232(e).~~

~~.23 Sections 63-503.23 et seq.(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR)Households Subject to Retrospective Budgeting After the Beginning Months~~

~~(MR).231 Prospective Eligibility~~

~~The CWD shall continue to prospectively determine Food Stamp eligibility~~

~~after the beginning months. The prospective eligibility determination determines whether or not a household continues to be eligible for benefits, and does not determine what benefit level a household is entitled to receive. A household is neither eligible for a restoration of benefits, nor shall a claim be established against a household for an inaccurate estimate of a household's prospective eligibility. Categorically eligible households shall be considered eligible for Food Stamps because of their status as PA recipients. The prospective eligibility determination for other households shall be made as follows.~~

~~(MR) (a) Determining Resources~~

~~Each month any reported changes in the household's resources shall be used in conjunction with the resources at the time of the interview to determine the household's prospective eligibility, in accordance with Sections 63-501 and 63-409.12.~~

~~(MR) (b) Determining Income~~

~~When the household's benefits are retrospectively budgeted, the CWD shall continue to prospectively determine food stamp eligibility according to the household's gross and/or net income as specified in Section 63-503.32. The CWD, in determining the household's prospective eligibility shall consider the household's actual reported budget month income or income that has been averaged for the budget month and anticipated income changes in the issuance month. For this actual, averaged, and anticipated income, the CWD shall determine what sources are exempt from consideration as income, per Sections 63-502.14 and 63-502.2.~~

~~(MR) (c) Household Composition~~

~~The CWD shall determine food stamp eligibility using the household's composition during the issuance month.~~

~~(MR).232 Retrospective Budgeting~~

~~The CWD shall use the following income to retrospectively budget the household's level of benefits.~~

~~(MR) (a) Actual Income~~

~~For purposes of determining the household's level of benefits for the issuance month, the CWD shall take into account the household's actual reported income for the budget month, except for child/spousal support disregard payments, which shall be based on the CWD~~

~~information.~~

~~(MR) (b) Averaged Income~~

~~For purposes of determining the household's level of benefits for the issuance month, the CWD shall take into account any income that has been averaged for the household for the budget month.~~

~~(MR) (1) Self employment income received less often than monthly. Households which derive their annual income in a period of time shorter than one year shall have that income averaged over a 12-month period.~~

~~(MR) (2) Nonexcluded scholarship, deferred educational loan, and educational grant income as specified in Section 63-503.212(b)(2). Such income shall not effect more benefit months than the number of months in the period over which it is averaged.~~

~~(MR) (3) Contract income as specified in Section 63-503.212(b)(3). Such income shall not effect more benefit months than the number of months in the period over which it is averaged.~~

~~(MR) (c) Income Only in the Month Received~~

~~When determining the household's level of benefits for the issuance month, the CWD shall count as income only that amount actually received by the household in the budget month, except as provided below:~~

~~(MR) (1) Income that has been averaged, in accordance with Section 63-503.212(b).~~

~~(MR) (2) The CWD shall budget stable earned and unearned income which is received on a regular basis as a monthly or semi-monthly payment for the month such income is intended to cover. Households receiving such income shall not have their monthly income varied merely because mailing or payment cycles, or because weekends or holidays may cause two payments to be received in one month and none in the next month.~~

~~(MR) (3) A GA/GR payment, covering a period which begins in the current month and ends in a future month, received in the current month is counted as income in the current month.~~

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- (MR) (A) For example, a GA/GR payment received in June which is intended to cover the last two weeks in June and the first two weeks in July is counted as income for June.

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- (MR) (4) Wages held at the request of the employee shall be considered income to the household in the month the wages would otherwise have been paid by the employer.
- (MR) (5) All AFDC, GA/GR, RCA, and ECA payments (initial, regular monthly, and additional/corrective) for the issuance month shall be anticipated with reasonable certainty, as defined in Section 63-503.212(a). The CWD shall ensure that any additional/corrective payments to the regular grant received in and for the issuance month are counted prospectively.
- (MR) (A) Federally funded AFDC additional/corrective payments that the CWD could not anticipate with reasonable certainty or did not have time to budget prospectively shall be budgeted retrospectively.
- (MR) (B) State only AFDC, GA/GR, RCA, and ECA payments that the CWD could not anticipate with reasonable certainty or did not have time to budget prospectively shall not be budgeted retrospectively.
- (MR) (C) Repealed by Manual Letter No. FS 91-10, effective 12/1/91.

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- (MR) (D) The following case situations illustrate the distinction between an additional/corrective payment and a regular monthly payment:

- (MR) 1. Example 1:

An ongoing Food Stamp household reported the birth of a child in March. As a result, the CWD issued two supplemental PA payments in April, the first for prorated March benefits, the second for April benefits, and added the child to the Food Stamp household effective April 1.

~~The prorated supplement for March benefits would be considered a nonrecurring lump sum payment because it is a retroactive payment for a previous month and is counted as a resource in April. The supplemental PA payment received in and for the month of April would be considered an additional/corrective payment which would be budgeted retrospectively for the June issuance month.~~

~~(MR) 2. Example 2:~~

~~An ongoing Food Stamp household filed a March CA 7 (Rev. 1) which caused the CWD to reduce the May PA grant amount to \$0. The CWD used \$0 income to compute the Food Stamp benefit level for the issuance month of May. Subsequent to this action, the CWD discovers that an error was made in the determination of the Food Stamp household's PA grant and recomputes the PA budget to an appropriate grant amount of \$400.~~

~~The \$400 would be considered a regular monthly PA payment. This is because no other grant amount for the issuance month had been established and paid. Therefore, the amount issued would be considered a regular monthly PA payment. However, if the CWD had established and actually paid a grant amount (e.g., \$50), any adjustment to this amount would be considered an additional/corrective payment amount and budgeted retrospectively regardless of how the additional/corrective payment was issued (i.e., one check, two checks, etc.).~~

~~(MR) 3. Example 3:~~

~~An ongoing Food Stamp household filed a March CA 7 (Rev. 1) which resulted in a determination that the monthly PA grant would decrease from \$400 to \$50 for May. The \$50 PA grant level was used to determine the food stamp benefits for the issuance month of May. Subsequently, the Food Stamp household filed an administrative appeal and received aid paid~~

pending (APP) in the amount of \$400.

In this instance, the \$350 (\$400 \$50) would not be budgeted retrospectively as an additional/corrective payment. This is because APP is required by state administrative appeals procedures. The \$350 + \$50 would be considered a regular monthly payment under the requirements of the partial settlement agreement.

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~~(MR)~~ (d) Discontinued Income

~~For the purposes of this section, discontinued income is any income that a household received in a budget month from a source that no longer provides income to the household, except when the income has been discontinued due to participation in a strike or, a household member other than the primary wage earner voluntarily quits a job without good cause in accordance with Section 63-408.4.~~

~~(MR)~~ (1) In a Beginning Month

~~Discontinued income which was included in the household's prospective budget shall be disregarded when the beginning month becomes the budget month.~~

~~(MR)~~ (2) After the Beginning Months

~~For households receiving AFDC, GA/GR, RCA, or ECA payments in the issuance month, discontinued income from the corresponding budget month shall be disregarded provided:~~

~~(MR) (A) The household has reported the termination of the income on the CA 7 for the budget month or in some other manner,~~

~~(MR) (B) The CWD has sufficient time to process the change and affect the allotment in the issuance month corresponding to the budget month in which the income stopped, and~~

~~(MR) (C) The AFDC, GA/GR, RCA, or ECA payments are increased as a result of the termination of the income.~~

.2 Income Eligibility and Grant Calculation for SAR Households

Benefits for the certification period will be determined using prospective budgeting, reasonably anticipated income and income-averaging rules (where required).

.21 Prospective Budgeting

Income and household information at application or reported on the periodic report for the SAR Data Month and anticipated changes in income and expenses must be considered when determining eligibility and benefit levels. Documentation is required in the case folder which explains how income was projected in determining benefit calculations. Case narrative entries must include, but are not limited to, the following types of documentation:

- (a) Income the recipient states is expected in future months;
- (b) Whether anticipated income will be different than income that the recipient reported for the SAR Data Month;
- (c) Documentation of the reasons for not accepting the recipient's estimate if the information is questionable;
- (d) Other information used to determine what income will be used in the benefit calculations (verifications, employer's statements, case history, etc.) if the recipient's estimate is not used.

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Case narratives and other documentation will be critical when documenting new income, income that is expected to change, income that fluctuates, and income that is so unstable that the recipient cannot make a reasonable estimate of what income to expect in future months. QC reviewers will rely heavily on case documentation when reviewing case files to determine if benefits have been issued in the correct amounts. To avoid QC errors, case documentation is a necessary requirement.

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.22 Reasonably Anticipated Income

Income is "reasonably anticipated" when the recipient and CWD determines it is reasonably certain that the recipient will receive a specified amount of income during any month of the certification period and applies to all income, earned or unearned.

If the amount of income or when the income will be received is uncertain (i.e., it cannot be reasonably anticipated), that portion of the household's income that is

uncertain or cannot be reasonably anticipated will not be counted when determining income eligibility and benefit levels.

If the household reports a decrease in income for the SAR Submit Month, the CWD will treat it as a mid-period change and use the information of decreased income to anticipate income for the remainder of the certification period if the change in income is expected to continue.

.221 Income shall be considered to be reasonably anticipated if it is determined that:

- (a) The income has been or will be approved or authorized within the certification period;
- (b) The household is otherwise reasonably certain that the income will be received within the certification period; and
- (c) The amount of the income is known.

.222 A determination of what income is reasonably anticipated is required when a household:

- (a) applies for benefits or recertification;
- (b) reports new income on the periodic report;
- (c) reports on the periodic report that income is expected to change;
- (d) has income that changes; and
- (e) makes a mid-period report of an income change.

.223 Using Different Sources to Determine Reasonably Anticipated Income

(a) The sources used to determine what income is reasonably anticipated may differ based on the circumstances. The following sources may be used, but are not all inclusive:

- (1) information provided by an employer; and/or
- (2) the source of income; and/or
- (3) payment dates, hours of work; and/or
- (4) the recipient's estimation of income.

(b) If, with the help of the recipient, a determination of how income will

change cannot be made, only that portion of income that the household reasonably anticipates shall be used in the benefit calculation.

.224 Income the household reports/estimates as being reasonably anticipated shall be budgeted for the certification period.

(a) If the household is having difficulty providing an estimate of anticipated income, the CWD shall assist the household by (including but not limited to the following):

(1) Contacting the employer or source of income with authorization from the recipient.

(2) Taking into account past income received by the household in the past 30 days. If income fluctuates to the extent that a 30-day period alone cannot provide an accurate indication of anticipated income, the CWD and the household may use a longer period of past time if it will provide a more accurate indication of anticipated fluctuations in future income.

(3) Reviewing the employment history for the most recent past season for seasonally fluctuating income if it will provide a more accurate indication of fluctuations in future income.

.225 Past income cannot be used as an indicator of anticipated income for the certification period if changes in income have occurred or can be anticipated.

.226 A new source of income, such as a new job, cannot be anticipated if it is uncertain when the job will start or what amount the recipient will be paid.

.23 Reasonably Anticipated Medical and Dependent Care Expenses

.231 Dependent care expenses shall be determined as follows:

(a) The CWD shall calculate the household's expenses based on the expenses the household expects to be billed for during the certification period. Anticipation of the expense shall be based on the most recent month's bills, unless the household is reasonably certain a change will occur.

(b) Households may elect to have fluctuating expenses averaged. Households may also have expenses which are billed less often than monthly averaged over the interval between scheduled billings, or, if there is no scheduled interval, averaged forward over the period the

expenses is intended to cover.

- (c) The household may elect to have one-time only expenses averaged over the entire certification period in which they are billed.

.232 Medical care expenses shall be determined as follows:

- (a) Households reporting one-time only medical expenses during their certification period may elect to have a one-time deduction or to have the expense averaged over the remaining months of their certification period. Averaging would begin the month the change would become effective.

- (1) For households certified for 24-months that have one time medical expenses, the CWD must use the following procedure. In averaging any one-time medical expense during the first 12 months, the CWD must give the household the option of deducting the expense for one month, averaging the expense over the remainder of the first 12 months of the certification period, or averaging the expense over the remaining months of the certification period. One-time expenses reported after the 12 month of the certification period will be deducted in one month or averaged over the remaining months in the certification period, at the household's option.

- (b) Households may elect to have fluctuating expenses averaged. Households may also have expenses which are billed less often than monthly averaged over the interval between scheduled billings, or, if there is no scheduled interval, averaged forward over the period the expenses is intended to cover.

- (c) Expenses paid on a weekly or bi-weekly basis shall be converted to a monthly deductible expense by multiplying the weekly and bi-weekly figure expense by 4.33 or 2.167 as appropriate if income is also multiplied by these conversion factors.

- (d) Document the rationale for the determination of the anticipated expense deduction.

.233 Shelter Costs

Shelter costs shall be determined at application and recertification and shall remain fixed at the determined amount until the household reports either a change on the periodic report, or makes a voluntary mid-period report.

- (a) If a household reports a change in address, the CWD must act on the

resulting increases or decreases in shelter costs.

- (b) The CWD may verify the change or choose to verify only if the change is questionable. Changes in shelter costs must be verified within 10 days of the report.
1. If the household does not respond to a request for verification of the address change and resulting shelter costs, the CWD computes the budget without the shelter cost deduction, and notify the household their allotment is recalculated without the deduction.
 2. Once the verification is provided, or if the change is verified at the time of the report and is not questionable, the benefit will be changed effective no later than the first allotment issued 10 days after the date the change was verified.
- (c) Shelter costs reported mid-period shall be recomputed using the new shelter cost. The new shelter deduction amount is fixed and will remain the same until another change is reported or until the next recertification occurs.

.234 Utility Costs

Entitlement to the SUA, LUA, or telephone allowance shall be determined at application and at recertification and shall remain in effect during the certification period per Section 63-502.363.

.24 Section 63-503.24(MR)(QR) shall become inoperative and Section 63-503.24(QR)(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Determining the Eligibility and Benefit Level of Households Excluded from Retrospective Budgeting~~

(QR) Determining the Eligibility and Benefit Level of Households Excluded from QR/PB.

(SAR) Determining the Eligibility and Benefit Level of Households Excluded from SAR.

.241 Determining Resources

(Continued)

.242 (Continued)

(a) Anticipating Income

(1) (Continued)

~~(b5) Income Only in the Month Received~~

~~(4)~~ Section 63-503.242~~(b)(a)(15)(MRQR)~~ shall become inoperative and Section 63-503.242~~(b)(a)(15)(QRSAR)~~ shall become operative in a county on the date ~~QR/PBSAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR)~~ ~~Income anticipated during the certification period shall be counted as income only in the month it is expected to be received, unless the income is averaged. The CWD shall use the exact monthly figure if it can be anticipated. Whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the CWD shall convert the income to a monthly amount by multiplying weekly amounts by 4.3 and biweekly amounts by 2.15 if the exact amount is not known.~~

(QR) Income reasonably anticipated during the certification period shall be counted as income only in the month it is expected to be received, unless the income is averaged. The CWD shall use the exact monthly figure if it can be reasonably anticipated. For change reporting households, whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the CWD shall convert the income to a monthly amount by multiplying weekly amounts by 4.33 and biweekly amounts by 2.167 if the exact amount is not known. For QR households, whenever a full month's income is anticipated but is received on a weekly or biweekly basis and will remain the same throughout the QR Payment Quarter, the CWD shall convert the income to a monthly amount by multiplying weekly amounts by 4.33 and biweekly amounts by 2.167, as provided in Section 63-509(a)(5).

(SAR) Income reasonably anticipated during the SAR payment period shall be counted as income only in the month it is expected to be received, unless the income is averaged. The CWD shall use the exact monthly figure if it can be reasonably anticipated. For change reporting and SAR households, whenever a full month's income is anticipated but is received on a weekly or biweekly basis, the CWD shall convert the income to a

monthly amount by multiplying weekly amounts by 4.33 and biweekly amounts by 2.167 if the exact amount is not known.

- (~~26~~) Wages held at the request of the employee shall be considered income to the household in the month the wages would otherwise have been paid by the employer. However, wages held by the employer as a general practice, even if in violation of law, shall not be counted as income to the household, unless the household asks for and receives an advance, or anticipates that it will receive income from wages that were previously held by the employer as a general practice and that were, therefore, not previously counted as income by the CWD. Advances on wages shall count as income in the month received only if reasonably anticipated, in accordance with Section 63-503.242(a).
- (~~37~~) Households receiving assistance payments such as AFDC, GA/GR, RCA, ECA, or social security payments on a recurring, monthly basis, shall not have their monthly income from these sources varied merely because mailing or payment cycles may cause two payments to be received in one month and none in the next month.

(~~e~~) Averaging Income

- (1) Section 63-503.24(b)(1)(QR) shall become inoperative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.
- (~~QR~~) Households, except destitute households, and PA households subject to a monthly reporting requirement for PA, may elect to have their income averaged. Income shall not be averaged for a destitute household since averaging would result in assigning to the month of application income from future periods which is not available to the destitute household for its current food needs. To average income, the CWD shall use the household's anticipated income fluctuations over the certification period. The number of months used to arrive at the average income need not be the same as the number of months in the certification period. If fluctuating income for the past 30 days and the month of application are known and, with reasonable certainty, are representative of the income fluctuations anticipated for the coming months, the income from the two known months may be averaged and projected over a certification period of longer than two months.

(2) Section 63-503.24(b)(2)(QR) shall become inoperative and Section 63-503.24(b)(2)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.

(2QR) Households which derive income by contract or self-employment, shall have that income averaged. This does not apply to a migrant or seasonal farmworker household.

(SAR) Income averaging is required for the following households.

(A) Households which, by contract or self-employment, derive their annual income in a period of time shorter than one year shall have that income averaged over a 12-month period provided the income from the contract is not received on an hourly or piecework basis. These households may include school employees, sharecroppers, farmers, and other self-employed households. However, these provisions do not apply to migrant or seasonal farmworkers. Contract income which is not the households annual income and is not paid on an hourly or piecework basis shall be prorated over the period the income is intended to cover.

(B) Households who elect to average because the receipt of income is reasonably certain but the monthly amount may fluctuate.

(C) Households which receive scholarships, deferred educational loans, or other educational grants shall have such income, after exclusions, averaged over the period for which it was provided.

(3) Section 63-503.24(b)(3)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.

(SAR) To average income, the CWD shall use the household's anticipated income fluctuations over the certification period. The number of months used to arrive at the average income need not be the same as the number of months in the certification period. An average must be recalculated at recertification and in response to changes in income, and the CWD shall inform the household of the amount of income used to calculate the allotment. Self-employment income shall be averaged in accordance with Section 63-503.411

.25 Section 63-503.25(~~MR~~QR) shall become inoperative and Section 63-503.25(QR~~SAR~~) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that

county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR)Determining Deductions For All Households~~

~~Deductible expenses include only certain medical, dependent care, shelter costs, and child support as specified in Section 63-502.3.~~

(QR) Determining Deductions for Change Reporting and QR/RB Households

Deductible expenses include only certain medical, dependent care, and shelter costs. Treatment of deductions for households subject to QR/PB are specified in Sections 63-509(a)(3), (a)(3)(A), (a)(3)(B), and (a)(3)(C).

(SAR)Determining Deductions for SAR Households

Deductible expenses include only certain medical, dependent care, and shelter costs. Treatment of deductions for households subject to SAR are specified in Sections 63-502.3.

.251 (Continued)

.252 Averaging Expenses
(Continued)

~~(e) Section 63-503.252(c)(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR) For retrospectively budgeted households, the CWD shall budget deductible expenses or payments for the child support deduction averaged over two or more months retrospectively, except medical expenses, provided that such deductions are not budgeted over more months than they are intended to cover, and the total amount deducted does not exceed the total amount of the expenses. Medical expenses shall be budgeted prospectively. The CWD shall continue to allow deductions for expenses incurred or payments made for the child support deduction even if billed on other than a monthly basis unless the household reports a change in the expense. At that time, it shall be recalculated.~~

.253 (Continued)

(a) (Continued)

(b) Section 63-503.253(b)(~~MRQR~~) shall become inoperative and Section 63-503.253(b)(~~QRSAR~~) shall become operative in a county on the

date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ SAR Declaration.

Other Expenses

~~(MR) The CWD shall calculate a nonmonthly reporting household's expenses based on the expenses the household expects to be billed for or based on the payments expected to be made for the child support deduction during the certification period. Anticipation of the expenses or payments for the child support deduction shall be based on the most recent month's bills or payments for the child support deduction, unless the household is reasonably certain a change will occur. When the household is not claiming the standard utility allowance, the CWD may anticipate changes during the certification period based on last year's bills from the same period updated by overall price increases; or, if only the most recent bill is available, utility cost increases or decreases over the months of the certification period may be based on utility company estimates for the type of dwelling and utilities used by the household. The CWD shall not average past expenses, such as utility bills for the last several months, as a method of anticipating utility costs for the certification period.~~

(QR) The CWD shall calculate a change reporting household's expenses based on the expenses the household expects to be billed for during the certification period. Anticipation of the expenses shall be based on the most recent month's bills, unless the household is reasonably certain a change will occur.

(SAR) The CWD shall calculate a household's expenses based on the expenses the household expects to be billed for during the certification period. Anticipation of the expenses shall be based on the most recent month's bills, unless the household is reasonably certain a change will occur.

~~(e) Section 63-503.253(e)(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR) Expenses In the Beginning Months~~

~~For households which are subject to retrospective budgeting, the procedures in Section 63-503.212(c)(1) which explain how to estimate income in the beginning months shall be used to estimate expenses in the beginning months. The CWD shall budget expenses regularly billed as a single monthly payment for the months such expenses are intended to cover.~~

.254 Section 63-503.254(~~MRQR~~) shall become inoperative and Section 63-503.254(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Disallowed expenses. The following expenses are not deductible:~~

(QR) Disallowed expenses. The following expenses are not deductible for change reporting households and QR/PB households:

(SAR) Disallowed expenses. The following expenses are not deductible for either change reporting households or SAR households:

(a) (Continued)

.255 Section 63-503.255(~~MRQR~~) shall become inoperative and Section 63-503.255(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

Expense Conversion Procedures

~~(MR) For nonmonthly reporting households the income conversion procedures of Section 63-503.242(b)(1) shall also apply to expenses billed on a weekly or biweekly basis.~~

(QR) For change reporting and QR households, the income conversion procedures of Section 63-503.242(b)(1) shall also apply to expenses billed on a weekly or biweekly basis.

(SAR) For change reporting and SAR households, the income conversion procedures of Section 63-503.242(a)(5)(SAR) shall also apply to expenses billed on a weekly or biweekly basis.

.3 (Continued)

.31 (Continued)

.311 Section 63-503.311(~~MRQR~~) shall become inoperative and Section 63-503.311(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) To determine a household's net monthly income, unless the household contains a member who is elderly or disabled as defined in Section 63-102(e),~~

~~the CWD shall:~~

(QR) To determine a change reporting household's net monthly income, unless the household contains a member who is elderly or disabled as defined in Section 63-102(c), the CWD shall follow the steps listed below. For QR/PB households the steps listed below shall be followed after income is averaged over the QR/PB Payment Quarter as specified in Section 63-509(a)(4).

(SAR) To determine a SAR or change reporting household's net monthly income, unless the household contains a member who is elderly or disabled as defined in Section 63-102(c)(12), the CWD shall determine the anticipated monthly income for the certification period and determine if the household is financially eligible using the steps listed below.

(a) (Continued)

.312 Section 63-503.312~~(MRQR)~~ shall become inoperative and Section 63-503.312~~(QRSAR)~~ shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) To determine the net monthly income of a household that includes a member who is elderly or disabled as defined in Section 63-102(e) the CWD shall:~~

(QR) To determine the net monthly income of a change reporting household that includes a member who is elderly or disabled as defined in Section 63-102(e), the CWD shall follow the steps listed below. For QR/PB households, the steps listed below shall be followed after income is averaged over the QR/PB Payment Quarter as specified in Section 63-509(a)(4).

(SAR) To determine the net monthly income of a household that includes a member who is elderly or disabled as defined in Section 63-102(e)(1), the CWD shall follow the steps listed below.

(a) (Continued)

.32 Eligibility and Benefits

.321 Sections 63-503.321~~(a) et seq.~~~~(MRQR)~~ shall become inoperative and Section 63-503.321~~(a)~~ (QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB SAR Declaration.

~~(MR)~~ Monthly income, as defined in Sections 63-502.14 and 63-503.312 shall be compared to the gross and net monthly income eligibility standard for the appropriate household size to determine eligibility for all households, except

as provided in Sections 63-301.6, 63-503.322, and .323. (~~See Handbook Section 63-1101 for the gross and net monthly income eligibility standards.~~)

~~(MR)~~ (a) ~~For households which are subject to monthly reporting, the CWD shall apply the gross and net monthly income eligibility standards each month during the household's certification period. The household's continued eligibility for benefits shall be based on the household's size and income information which the household and the CWD anticipate for the issuance month. This determination shall be based on the information reported on and submitted with the household's most recent CA 7. The CWD shall also consider information which the household reports outside of the normal monthly reporting system.~~

~~(MR)~~ (1a) ~~If the household's gross and net monthly income does not exceed the standards the CWD shall issue benefits as appropriate, in accordance with Section 63-503.22.~~

~~(MR)~~ (2b) ~~If the household's gross or net monthly income exceeds the standards, the CWD shall take appropriate action, either deny the application or terminate; or suspend the household's benefits in accordance with Section 63-504.37.~~

~~(MR)~~ (b) ~~For migrant farmworker households, the CWD shall deny the application if the household's gross and/or net monthly income exceeds the standards.~~

(QR) (a) For food stamp households which are subject to QR, the CWD shall apply the gross and net monthly income eligibility standards to the averaged QR/PB Payment Quarter's income during the certification period. The household's continued eligibility for benefits shall be based on the household's size and income information which the household and the CWD anticipate for the QR Payment Quarter. This determination shall be based on the information reported on and submitted with the household's most recent QR 7. The CWD shall also consider information which the household reports outside of the normal QR system.

(SAR) (c) Eligibility determination and benefit level shall be based on the information reported on and submitted with the household's most recent application or periodic report. The CWD shall also consider information which the household reports mid-period.

.322 Section 63-503.322 ~~et seq.~~(MRQR) shall become inoperative and Section 63-503.322 ~~et seq.~~(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

- ~~(MR)~~ To determine the eligibility of an elderly and/or disabled household with at least one member who is elderly or disabled as defined in Section 63-102(e), the household's net income, as determined by Section 63-503.312, shall be compared to the net monthly income eligibility standard for the appropriate household size. ~~(See Handbook Section 63-1101 for the net monthly income eligibility standards.)~~
- ~~(MR)~~ (a) For households which are subject to monthly reporting, the CWD shall ~~apply the net monthly income eligibility standards each month during the household's certification period, except as specified in Sections 63-301.7 and .82. The household's continued eligibility for benefits shall be based on the household's size and income information which the household and the CWD anticipate for the next issuance month. This determination shall be based on the information reported on and submitted with the most recent CA 7. The CWD shall also consider information which the household reports outside of the normal monthly reporting system.~~
- ~~(MR)~~ ~~(1a)~~ If the household's net monthly income does not exceed the standard, the CWD shall issue benefits in accordance with Section ~~63-503.22~~ 63-503.2.
- ~~(MR)~~ ~~(2b)~~ If the household's net monthly income exceeds the standard, the CWD shall either deny the application or terminate; ~~or suspend the household's benefits in accordance with Section 63-504.37.~~
- ~~(MR)~~ (b) For ~~migrant farmworker households~~, the CWD shall deny the application if the household's net monthly income exceeds the standard.
- ~~(QRc)~~ ~~(aQR)~~ For households which are subject to QR, the CWD shall apply the gross and net monthly income tests to income averaged over the QR Payment Quarter. The household's continued eligibility for benefits shall be based on the household's size and income information which the household and the CWD anticipate for the next QR Payment Quarter or remaining months in the quarter.
- (SAR) For SAR households, eligibility determination and benefit level shall be based on information reported and submitted with the household's most recent application or periodic report. The CWD shall also consider information which the household reports mid-period. For change reporting households, eligibility determination and benefit level shall be based on information reported and submitted with the household's most recent application or reported change.

(QR) (1) (Continued)

.323 (Continued)

.324 Section 63-503.324(~~MRQR~~) shall become inoperative and Section 63-503.324(~~QR-SAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) The household's monthly allotment shall be determined from the Coupon Allotment Tables on the basis of household size and net income. The counties shall issue food stamp coupons pursuant to the coupon allotment tables as promulgated and updated by the USDA. The SDSS shall provide the updated coupon allotment tables, which are to be implemented upon their effective date. Refer to Handbook Section 63-1101 for the most recent coupon allotment tables and their effective date.~~

(QR) Change reporting and QR/PB household's monthly allotment shall be determined from the Coupon Allotment Tables on the basis of household size and net income. The counties shall issue food stamp benefits pursuant to the coupon allotment tables as promulgated and updated by the USDA. The CDSS shall provide the updated coupon allotment tables, which are to be implemented upon their effective date. Refer to Handbook Section 63-1101 for the most recent coupon allotment tables and their effective date.

(SAR) Change reporting and SAR household's monthly allotment shall be determined from the Basis of Issuance Tables (BOI) based on household size and net income. CWDs shall issue CalFresh benefits pursuant to the BOI as promulgated and updated by the USDA. The CDSS shall provide the updated BOI, which are to be implemented upon their effective date.

.325 Section 63-503.325(~~MRQR~~) shall become inoperative and Section 63-503.325(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) Except during an initial month, all eligible one- and two-person households shall receive a minimum monthly allotment of \$10 and all eligible households with three or more members which are entitled to \$1, \$3, and \$5 allotments shall receive allotments of \$2, \$4, and \$6 respectively to correspond with current coupon book determination.~~

(QR) Except during an initial month of application, all eligible one- and two-person change reporting and QR households shall receive a minimum monthly allotment of \$10 and all eligible households with three or more members

which are entitled to \$1, \$3, and \$5 allotments shall receive allotments of \$2, \$4, and \$6 respectively to correspond with current coupon book determination.

(SAR) Except during an initial month of application, all eligible one- and two-person change reporting and SAR households shall receive the minimum monthly allotment.

.326 Section 63-503.326(~~MRQR~~) shall become inoperative and Section 63-503.326(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) For an eligible household with three or more members which is entitled to benefits for the initial month but not the following month, the CWD shall certify the household in accordance with Section 63-504.1 and terminate the case for the following month if the household is prospectively ineligible. The household shall be notified in accordance with Section 63-504.261.~~

(QR) For an eligible change reporting household with three or more members which is entitled to benefits for the initial month but not the following month, the CWD shall certify the household in accordance with Section 63-504.1 and terminate the case for the following month if the household is prospectively ineligible. For QR/PB households with three or more members, benefits shall be provided during the QR Payment Quarter if averaged income over the quarter does not render the household ineligible for the quarter. The QR/PB household shall be certified in accordance with Section 63-504.1 if averaged income over the quarter for the QR/PB household does not exceed the 130 percent FPL for family size.

(SAR) For an eligible household which is entitled to benefits for the initial month but not the following month, the CWD shall certify the household in accordance with Section 63-504.1 and terminate the case for the following month if the household is prospectively ineligible. For SAR households, benefits shall be provided during the SAR Payment Quarter if anticipated income does not render the household ineligible. The SAR household shall be certified in accordance with Section 63-504.1 if the household's anticipated income for the period does not exceed the 130 percent FPL for family size.

.327 Section 63-503.327 et seq. (~~MRQR~~) shall become inoperative and Section 63-503.327 et seq. (~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) For those eligible households which are entitled to no benefits in their initial month of application in accordance with Section 63-503.324, but are entitled~~

~~to benefits in the next month, the CWD shall certify the households beginning with the month of application.~~

~~(QR)~~ No Eligibility in the Initial Month of Application

~~(QRa)~~ ~~(aQR)~~ For those eligible change reporting households which are not entitled to benefits in their initial month of application in accordance with Section 63-503.324, but are entitled to benefits in the next month, the CWD shall certify the households beginning with the month of application.

(SAR) For those eligible households which are not entitled to benefits in their initial month of application in accordance with Section 63-503.324, but are entitled to benefits in the next month, the CWD shall certify the households beginning with the month of application.

~~(QRb)~~ ~~(bQR)~~ For QR/PB households whose income has been averaged over the QR Payment Quarter and averaged income makes the household ineligible, the application shall be denied unless the household is categorically eligible.

(1) The CWD shall inform households whose applications have been denied that if their income stops or drops, the household may contact the CWD to reapply for benefits.

(2) The CWD shall use the original application along with updated information if the household reapplies within 30 days of the denial of benefits.

(SAR) For SAR households whose income has been averaged over the certification period and the averaged income makes the household ineligible, the application shall be denied unless the household is categorically eligible.

(1) The CWD shall inform households whose applications have been denied that if their income stops or drops, the household may contact the CWD to reapply for benefits.

(2) The CWD shall use the original application along with updated information if the household reapplies within 30 days of the denial of benefits.

.328 Section 63-503.328~~(MRQR)~~ shall become inoperative and Section 63-503.328~~(QRSAR)~~ shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR) When a household's circumstances change and it becomes entitled to a different income eligibility test, the CWD shall apply the different test at the next recertification or whenever the CWD changes the household's eligibility, benefit level or certification period, whichever occurs first.~~

(QR) When a change reporting or QR/PB household's circumstances change and it becomes entitled to a different income eligibility test, the CWD shall apply the different test at the next recertification or whenever the CWD changes the household's eligibility, benefit level or certification period, whichever occurs first.

(SAR) When a change reporting or SAR household's circumstances change and it becomes entitled to a different income eligibility test, the CWD shall apply the different test at the next recertification or whenever the CWD changes the household's eligibility, benefit level or certification period, whichever occurs first.

.329 Section 63-503.329~~(MRQR)~~ shall become inoperative and Section 63-503.329~~(QRSAR)~~ shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) The CWD shall deny the application of an otherwise eligible household with three or more members that has a net income which would set its benefit level at zero. The application shall be denied on the grounds that net income exceeds the level at which benefits are issued unless any of the following occur:~~

(QR) The CWD shall deny the application of an otherwise eligible change reporting or QR/PB household with three or more members that has a net income which would set its benefit level at zero. The application shall be denied on the grounds that net income exceeds the level at which benefits are issued unless any of the following occur:

(a) The benefit level of zero is due to proration; or

(b) The household is categorically eligible as specified in Sections 63-301.7 and .82. The CWD shall notify these households of their eligibility for zero benefits.

(SAR) The CWD shall deny the application of an otherwise eligible change reporting or SAR household with three or more members that has a net income which would set its benefit level at zero. The application shall be denied on the grounds that net income exceeds the level at which benefits are issued unless any of the following occur:

- (a) The benefit level of zero is due to proration; or
- (b) The household is categorically eligible as specified in Sections 63-301.7 and .82.

.4 (Continued)

.41 (Continued)

Section 63-503.41(~~MRQR~~) shall become inoperative and Section 63-503.41(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) For monthly reporting households receiving self-employment income, including those households that own and operate a commercial boarding house, the CWD shall calculate the self-employment income in accordance with this section. All households that own and operate a noncommercial boarding house shall have their income calculated in accordance with Section 63-503.42.~~

(QR) For QR households receiving self-employment income, including those households that own and operate a commercial boarding house, the CWD shall calculate the self-employment income in accordance with this section. All households that own and operate a noncommercial boarding house shall have their income calculated in accordance with Section 63-503.42. QR/PB households are subject to income averaging rules as specified in Sections 63-509(a)(4), (a)(5) and (a)(6).

(SAR) For SAR households receiving self-employment income, including those households that own and operate a commercial boarding house, the CWD shall calculate the self-employment income in accordance with this section. All households that own and operate a noncommercial boarding house shall have their income calculated in accordance with Section 63-503.42.

.411 (Continued)

- (a) Section 63-503.411(a)(~~MRQR~~) shall become inoperative and Section 63-503.411(a)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) Monthly reporting households which receive self-employment income on a monthly basis shall report the actual amount of such income on the monthly eligibility report. The CWD shall calculate the household's benefit level for each month based on the actual amount of self-employment income reported even if such income fluctuates from month to month.~~

(QR) QR households which receive self-employment income on a monthly basis shall report the actual amount of such income on the QR 7 for the Data Month. The CWD shall calculate the household's benefit level for the Payment Quarter based on the actual amount of self-employment income reported on the QR 7 and anticipated income for each month of the upcoming QR Payment Quarter. Self-employment income shall be averaged over the QR Payment Quarter. Changes in self-employment income that occur mid-quarter shall be treated in accordance with Section 63-509(d).

(SAR) SAR households which receive self-employment income on a monthly basis shall report the actual amount of such income on the periodic report for the Data Month. The CWD shall calculate the household's benefit level for the certification period based on the actual amount of self-employment income reported on the periodic report and anticipated income for each month of the certification period. Self-employment income shall be averaged over the certification period. Changes in self-employment income that occur mid-period shall be treated the same as any other mid-period reported change in income.

(b) Section 63-503.411(b)(~~MRQR~~) shall become inoperative and Section 63-504.411(b)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PBSAR~~ becomes effective in that county, pursuant to the Director's ~~QR/PB~~ County's SAR Declaration.

~~(MR) Self-employment income received less often than monthly which represents a household's annual income shall be averaged over a 12-month period even if the household receives income from other sources in addition to self-employment. If income is from a household member's self-employment in a farming or fishing operation and irregular expenses are incurred to produce that income, the household shall have the option to annualize the allowable costs of producing self-employment income from farming when the self-employment farm income is annualized.~~

(QR) Self-employment income received less often than monthly which represents a change reporting or QR/PB household's annual income shall be averaged over a 12-month period even if the household receives income from other sources in addition to self-employment. The annualized monthly income figure shall be used as the averaged income for the QR Payment quarter.

If income is from a household member's self-employment in a farming or fishing operation and irregular expenses are incurred to produce that income, the household shall have the option to annualize the allowable

costs of producing self-employment income from farming when the self-employment farm income is annualized. For QR households, the annualized monthly figure for allowable costs of producing income from farming or fishing shall be used as an averaged expense for the QR Payment quarter.

(SAR) Self-employment income received less often than monthly which represents a change reporting or SAR household's annual income shall be averaged over a 12-month period even if the household receives income from other sources in addition to self-employment. The annualized monthly income figure shall be used as the averaged income for the certification period.

If income is from a household member's self-employment in a farming or fishing operation and irregular expenses are incurred to produce that income, the household shall have the option to annualize the allowable costs of producing self-employment income from farming when the self-employment farm income is annualized. For change reporting and SAR households, the annualized monthly figure for allowable costs of producing income from farming or fishing shall be used as an averaged expense for the certification period.

(c) Section 63-503.411(c)(~~MR~~QR) shall become inoperative and Section 63-503.411(c)(~~QR~~SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ County's SAR Declaration.

~~(MR) If a household's self-employment enterprise has been in existence for less than a year the income from that self-employment enterprise shall be averaged over the period of time the business has been in operation, and the monthly amount projected over the certification period.~~

(QR) If a household's self-employment enterprise has been in existence for less than a year, the income from that self-employment enterprise shall be averaged over the period of time the business has been in operation, and the monthly amount projected over the certification period. For QR/PB households, the projected income over the certification period shall be used in averaging income over the QR Payment Quarter.

(SAR) If a household's self-employment enterprise has been in existence for less than a year, the income from that self-employment enterprise shall be averaged over the period of time the business has been in operation, and the monthly amount projected over the certification period. For change reporting and SAR households, the projected income over the certification period shall be used in averaging income over the certification period.

.412 (Continued)

(a) (Continued)

(1) (Continued)

(b) Section 63-503.412(b)(~~MRQR~~) shall become inoperative and Section 63-503.412(b)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the Director's ~~QR/PB County's SAR~~ Declaration.

~~(MR) Self-employment must be averaged over the period of time the income is intended to cover even if the household receives income from other sources.~~

(QR) Self-employment must be averaged over the period of time the income is intended to cover even if the household receives income from other sources. For QR/PB households, self-employment must be averaged over the certification period or over a QR Payment Quarter.

(SAR) Self-employment must be averaged over the period of time the income is intended to cover even if the household receives income from other sources.

(c) Section 63-503.412(c)(~~MRQR~~) shall become inoperative and Section 63-503.412(c)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the Director's ~~QR/PB County's SAR~~ Declaration.

~~(MR) Actual self-employment income and expense information reported and verified with the household's CA 7 shall be used at the household's next certification to average and project the household's circumstances for the next year or period of time the income is intended to cover, except that the self-employment income averaged for the current certification period must be redetermined in the following instances:~~

(QR) Actual self-employment income and expense information reported and verified with the household's last QR 7 shall be used at the household's next certification to average and project the household's circumstances for the next year or next QR Payment Quarter, except that the self-employment income averaged for the current certification period or QR Payment Quarter must be redetermined in the following instances:

(1) The household will likely experience or has experienced a substantial decline in income due to a change in circumstance

such as crop failure or bankruptcy;

- (2) The household reports increases or decreases in self-employment income that are outside what is normal for the particular season or trade.
- (3) The household provides the CWD with verification of self-employment expenses which the household incurred to produce the income specified in Section 63-503.412(a), but had previously failed to give to the CWD.

In redetermining a household's averaged self-employment income the CWD shall only consider income and expenses which have been verified.

(c) (SAR) Actual self-employment income and expense information reported and verified with the household's last periodic report shall be used to average and project the household's circumstances for the remainder of the certification period, except that the self-employment income averaged for the current certification period must be redetermined in the following instances:

- (1) The household will likely experience or has experienced a substantial decline in income due to a change in circumstance such as crop failure or bankruptcy;
- (2) The household reports increases or decreases in self-employment income that are outside what is normal for the particular season or trade.
- (3) The household provides the CWD with verification of self-employment expenses which the household incurred to produce the income specified in Section 63-503.412(a), but had previously failed to give to the CWD.

(d) (SAR) Actual self-employment income and expense information reported and verified at recertification shall be used to average and project the household's circumstances for the upcoming certification period or the period of time in which the income is intended to cover, except that the self-employment income averaged must be redetermined in the following instances:

- (1) The household will likely experience or has experienced a substantial decline in income due to a change in circumstance such as crop failure or bankruptcy;

(2) The household reports increases or decreases in self-employment income that are outside what is normal for the particular season or trade.

(3) The household provides the CWD with verification of self-employment expenses which the household incurred to produce the income specified in Section 63-503.412(a), but had previously failed to give to the CWD.

(e) (SAR) In redetermining a household's averaged self-employment income the CWD shall only consider income and expenses which have been reasonably anticipated.

.413 (Continued)

.415 Determining Monthly Income from Self-Employment

The monthly net self-employment income shall be added to any other earned income received by the household, and the net monthly income shall be computed, in accordance with Section 63-503.31.

Sections 63-503.415(a) through (b)(1)(~~MR~~QR) shall become inoperative and Sections 63-503.415(a) through (b)(1)(~~QR~~SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ County's SAR Declaration.

~~(MR) (a) For monthly reporting households who report their actual monthly self-employment income on the CA 7, the CWD shall add all gross self-employment income (including capital gains), and exclude the actual monthly cost of producing the self-employment income as reported on the CA 7.~~

~~(MR) (b) For the period of time over which self-employment income is averaged, the CWD shall add gross self-employment income (including capital gains), exclude the cost of producing the self-employment income, and divide the self-employment income by the number of months over which the income will be averaged.~~

~~(MR) (1) For self-employed farmers or fishermen, as defined in Section 63-102s, losses shall be prorated in the same manner used to prorate the self-employment income.~~

~~(QRa) (aQR)~~ For QR households that report actual monthly self-employment income on the QR 7, the CWD shall add all gross self-employment income (including capital gains) and average it over the QR Payment

Quarter, and exclude the averaged anticipated cost of doing business. The CWD shall determine if the monthly income is already determined by averaging income over the certification period or if anticipated income is to be averaged over the QR Payment Quarter. Calculation of benefits over the quarter shall be computed in accordance with Section 63-509.

(SAR) For SAR households that report actual monthly self-employment income on the periodic report or at recertification, the CWD shall add all gross self-employment income (including capital gains) and average it over the period of time the income is intended to cover, and exclude the averaged anticipated cost of doing business. The monthly net self-employment income must be added to any other earned income received by the household to determine total monthly earned income.

(QRb) (bQR) The CWD shall add gross self-employment income (including capital gains) over the three-month QR Payment Quarter and divide the gross income total by three (3) to determine the monthly income amount for each month of the quarter. Income averaged over the certification period, need not be averaged over the quarter.

(SAR) For the period of time over which self-employment income is averaged, the CWD shall add gross self-employment (including capital gains) over the period of time in which the income is intended to cover to determine the monthly income amount for each month.

(QR1) (1QR) For self-employed farmers or fishermen, losses shall be averaged in the same manner used to average the self-employment income, either over the certification period or over the QR Payment Quarter.

(SAR) For self-employed farmers or fishermen, losses shall be averaged in the same manner used to average the self-employment income, either over the certification period or the period of time in which the income is intended to cover.
(Continued)

.416 (Continued)

.5 Section 63-503.5(QR) shall become inoperative and Section 63-503.5(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

(QR) Nonexcluded scholarship, deferred educational loans and educational grant income received less often than monthly for both change reporting and QR households shall be

averaged, after exclusions, over the period it is intended to cover.

~~(SAR)~~ Nonexcluded scholarship, deferred educational loans and educational grant income received less often than monthly for both change reporting and SAR households shall be averaged, after exclusions, over the period it is intended to cover.

.6 Section 63-503.6(QR) shall become inoperative and Section 63-503.6(SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the ~~Director's~~ QR/PB County's SAR Declaration.

(QR) Contract income received by change reporting and QR households that derive their annual income in a period of time shorter than one year shall be averaged over the period it is intended to cover, provided the income from the contract is not earned on an hourly or piece-work basis.

~~(SAR)~~ Contract income received by change reporting and SAR households that derive their annual income in a period of time shorter than one year shall be averaged over the period it is intended to cover, provided the income from the contract is not earned on an hourly or piece-work basis. (Continued)

.9 Section 63-503.9~~(MR)~~(QR) shall become inoperative and Section 63-503.9(QR)~~(SAR)~~ shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the ~~Director's~~ QR/PB County's SAR Declaration.

~~(MR)~~ Certified Monthly Reporting Households Applying for Aid in a New County

~~(QR)~~ Households Losing County Residence

.91 Section 63-503.91~~(MR)~~QR shall become inoperative and Section 63-503.91(QR)~~(SAR)~~ shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the ~~Director's~~ QR/PB County's SAR Declaration.

~~(MR)~~ The applications of households which were certified for Food Stamp Program participation in one county or state and which move to another county or this state and apply for benefits without at least a one month break in certification, shall be treated as initial applications, except they shall continue to be retrospectively budgeted, as specified in Section 63-504.711. Households which have requested and are entitled to expedited service shall have their benefits available in accordance with Section 63-301.531(b).

(QR) The applications of change reporting food stamp households which were certified for Food Stamp Program participation in one county and which move to another county and apply for benefits, shall be treated as initial applications. Households which have requested and are entitled to expedited service shall have their benefits available in accordance with Section 63 301.531(b).

(SAR)The applications of change reporting CalFresh households which were certified for CalFresh Program participation in one county and which move to another county and apply for benefits, shall be treated as initial applications. Households which have requested and are entitled to expedited service shall have their benefits available in accordance with Section 63-301.531(b).

.911 Section 63-503.911~~(MR)~~(QR) shall become inoperative and Sections 63-503.911(a) and (b)~~(QR)~~(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR) Households which were subject to retrospective budgeting in the previous county or state shall continue to be retrospectively budgeted, unless the household is now excluded, as specified in Section 63-505.21.~~

~~(QRa) (aQR)~~ For households that are subject to QR/PB and move out of state, benefit shall be terminated mid-quarter.

(SAR) For households that are subject to SAR and move out of state, benefit shall be terminated mid-period.

~~(QRb) (bQR)~~ For QR/PB households that move out of county, the CWD shall continue to follow existing rules which require the recipient to be discontinued from the former county of residence and reapply in the new county, except when there is a companion CalWORKs case that is being transferred, the former county will continue to provide benefits until the end of the month in which the CalWORKs case is transferred from the former county in accordance with Section 63-509(c)(2). The new county shall assign a new QR reporting cycle to the household

(SAR) For change reporting and SAR households that move out of county, the sending county shall initiate an inter-county transfer in accordance with this section and will continue to provide benefits until the end of the month in which the receiving county assumes responsibility for the issuance of benefits. (Continued)

Authority cited: Sections 10553, 10554, 10604, 11265.1, .2 and .3, 11369, 18900.1, 18901.3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901.3, 18904, and 18910, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 271.2; 7 CFR 272.3(c)(1)(ii); 7 CFR 273.1(b)(2)(iii), (c)(3)(i), (ii) and (e)(1)(i) as published in the Federal Register, Volume 59, No. 110 on June 9, 1994; 7 CFR 273.2(j)(4); 7 CFR 273.4(c)(2), (c)(2)(i), (c)(2)(i)(A), (c)(2)(iv), (c)(2)(v), (c)(3)(v), and (e)(1) and (2); 7 CFR 273.9(b)(1)(ii), (b)(2)(ii), and (d)(4), (d)(6)(iii)(F); 7 CFR 273.10; 7 CFR 273.10(a)(1)(iii)(B); 7 CFR

273.10(c)(1)(i), (c)(1)(ii), (c)(2)(iii), (c)(3)(ii), proposed amended 7 CFR 273.10(d) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; (d)(1)(i), (d)(2), (d)(3), (d)(4), (d)(5) and proposed (d)(8) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, and proposed amended 7 CFR 273.10(e)(1)(i)(E-H) and (e)(2)(i)(A) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.11(a)(1)(i) through (iii), (a)(2)(i), (b)(1), (b)(1)(i) and (ii), (c), (c)(1), (c)(2), (c)(2)(iii), (c)(3)(ii), (d)(1), and (e)(1); 7 CFR 273.12(a)(1)(i)(A), (a)(1)(i)(B), (a)(1)(i)(C)(2), (a)(5)(vi), ~~and~~ (c)(3)(iv), and (c)(4); 7 CFR 273.21(f)(2)(ii), (iii), (iv), and (v), (g)(3), (j)(1)(vii)(B), and (S); 7 CFR 273.24(b)(4); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) [Dock No. CV-89-0768]; Waiver Letter WFS-100:FS-10-6-CA, dated October 2, 1990, U.S.D.A., Food and Consumer Services; Administrative Notice No. 89-12, No. 92-23, dated February 20, 1992, No. 94-39, and No. 94-65; Public Law (P.L.) 100-435, Section 351, and P.L. 101-624, Section 1717; [7 United States Code (U.S.C.) 2012, 2014(d)(6), (e), and 2017(c)(2)(B)]; 7 U.S.C. 2015(d)(1); 8 U.S.C. 1631, P.L. 104-193, Sections 115, 815, 821, 827 and 829 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); Federal Food Stamp Policy Memos 82-9 dated December 8, 1981, and 88-4 dated November 13, 1987, Federal Register, Vol. 66, No. 229, dated November 28, 2001, USDA FNS AN 03-23, dated May 1, 2003; Assembly Bill 6, (Chapter 501, Statutes of 2011); Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-504 to read:

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY 63-504

.1 Certification Periods

The CWD shall certify each eligible household for a definite period of time within which a household shall be certified to receive benefits. At the expiration of such certification period, entitlement to food stamp benefits shall end. Under no circumstances shall benefits be continued beyond the end of a certification period without a new determination of eligibility. See Section 63-504.6 for recertification procedures. CWDs must assign the longest certification period possible based on the predictability of the household's circumstances. The first month of the certification period will be the first month for which the household is eligible to participate. The certification period cannot exceed 12 months, except as specified in Sections 63-504.13 and .14.

Handbook Section 63-504.1(QR) shall become inoperative and Handbook Section 63-501.1(SAR) shall become operative in a county on the date ~~QR/PB SAR~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

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(QR) Counties may match certification periods with QR reporting cycles. Where possible, CalWORKs shall adjust its redetermination period to coincide with the Food Stamp Program certification period. The food stamp certification period shall not be shortened unless as specified in Section 63-504.15. The certification may be lengthened if it does not exceed 12 months as specified in Section 63-504.16.

(SAR) Counties may match certification periods with SAR reporting cycles. Where possible, CalWORKs shall adjust its redetermination period to coincide with the CalFresh Program certification period. If necessary, the CalFresh certification period may be shortened to coincide with another public assistance program in accordance with Waiver # SNAP-10-6-Waiver 2120020 CA dated September 17, 2012. The certification period may be extended if it does not exceed 12 months as specified in Section 63-504.16.

HANDBOOK ENDS HERE

.11 (Continued)

.12 Section 63-504.12(~~MRQR~~) shall become inoperative and Section 63-504.12(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) Additional Requirements for Establishing Certification Periods for Monthly Reporting Households~~

(QR) Additional Requirements for Establishing Certification Periods for QR Households

(SAR) Additional Requirements for Establishing Certification Periods for SAR Households

.121 Public Assistance and Categorically Eligible Households

Households in which all members are contained in a single Public Assistance (PA) grant, and the food stamp applications are processed jointly as specified in Section 63-301.6, may have their food stamp recertifications, to the extent permitted by regulation, at the same time they are redetermined for PA eligibility.

(QR) The certification period shall be established for no longer than 12 months. The CWD shall be permitted to recertify food stamps when the PA redetermination occurs. However, if the PA redetermination and the food stamp recertification cannot be jointly processed, the CWD shall send the household a notice of expiration of its food stamp certification period as specified in Section 63-504.624 and proceed to recertify the household for food stamps in order not to exceed the 12 months. The certification period may be shortened as specified in Section 63-504.14 to keep the time frames on the same schedule.

(SAR) The certification period shall be established for no longer than 12 months. The CWD shall be permitted to recertify CalFresh when the PA redetermination occurs. However, if the PA redetermination and the CalFresh recertification cannot be jointly processed, the CWD shall send the household a notice of expiration of its CalFresh certification period as specified in Section 63-504.624 (SAR) and proceed to recertify the household for CalFresh in order not to exceed the 12 months.

(a) (Continued)

.14 Section 63-504.14(~~MRQR~~) shall become inoperative and Section 63-504.14(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) Additional Requirements for Establishing Certification Periods for Nonmonthly Reporting Households~~

~~(QR) Additional Requirements for Establishing Certification Periods for Change Reporting Households~~

.141 Section 63-504.141(~~MRQR~~) shall become inoperative and Section 63-504.141(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) Nonmonthly reporting households shall be assigned the longest certification period possible based on the predictability of the individual household's circumstances. The certification period shall not exceed 12 months.~~

(QR) Change reporting and QR households shall be assigned the longest certification period possible based on the predictability of the individual household's circumstances. The certification period shall not exceed 12 months.

(a) Households shall be certified for one or two months, as appropriate, when the household cannot reasonably predict what its circumstances will be in the near future, or when there is a substantial likelihood of frequent and significant changes in income or household status.

(SAR) Change reporting and SAR households shall be assigned the longest certification period possible based on the predictability of the individual household's circumstances. The certification period shall not exceed 12 months.

(a) Households shall be certified for one or two months, as appropriate, when the household cannot reasonably predict what its circumstances will be in the near future, or when there is a substantial likelihood of frequent and significant changes in income or household status.
(Continued)

.15 (Continued)

~~.151 Section 63-504.151(MR) shall become inoperative and Section 63-504.151(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) Monthly reporting households residing on a reservation shall be certified for 24 months.~~

~~(QR).151~~ Households residing on a reservation shall be certified for 24 months.

~~.152~~ When households move off the reservation, the CWD must either continue their certification periods until they would normally expire or shorten the certification period in accordance with Section 63-504.15.

.16 (Continued)

.161 The CWD shall not shorten a household's certification period except in accordance with Handbook Section 63-504.1(SAR). The CWD must end a certification if the CWD determines the household becomes ineligible.
(Continued)

.2 (Continued)

.22 (Continued)

.222 Section 63-504.222~~(MR)~~(QR) shall become inoperative and Section 63-504.222~~(QR)~~(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR) When the initial allotment includes benefits for both the month of application and the second month's benefits, the notice shall inform the household that this initial allotment includes more than one month's benefits and shall indicate the monthly benefit level for the remainder of the certification period.~~

(QR) When the initial allotment includes benefits for both the month of application and the second month's benefits, the notice shall inform the household that this initial allotment includes more than one month's benefits and shall

indicate the monthly benefit level for the remainder of the certification period for change reporting households or the benefit level for the QR Payment Quarter for QR/PB reporting households.

(SAR) When the initial allotment includes benefits for both the month of application and the second month's benefits, the notice shall inform the household that this initial allotment includes more than one month's benefits and shall indicate the monthly benefit level for the remainder of the certification period for change reporting and SAR households.

.223 (Continued)

HANDBOOK BEGINS HERE

~~.225 Section 63-504.225(MR) shall become inoperative and Section 63-504.225(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) The recommended CDSS developed form to use for notification of approval actions is the DFA 377.1 or a County substitute containing all notice requirements.~~

~~(QR) The recommended CDSS developed form to use for notification of approval actions is the DFA 377.1 QR or a county substitute containing all notice requirements.~~

HANDBOOK ENDS HERE

.25 (Continued)

.251 (Continued)

.252 Shortening the Certification Period

Section 63-504.252(QR) shall become inoperative and Section 63-504.252(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.

(QR) The CWD shall provide notice of action to each household whose certification period is shortened, as specified in Section 63-504.14. The notice may be sent at any time during the month in which the change in household circumstances requiring recertification occurred or was reported. However, it must be received by the household no later than the first day of the last month of the shortened certification period.

(SAR) The CWD shall provide notice of action to each household whose certification period is shortened, as specified in Handbook Section 63-504.14. The notice may be sent at any time during the month in which the change in household circumstances requiring recertification occurred or was reported. However, it must be received by the household no later than the first day of the last month of the shortened certification period.

.253 (Continued)

HANDBOOK BEGINS HERE

~~.254 Handbook Section 63-504.254(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR) The recommended CDSS developed form to use for notification of the expiration or shortening of a certification period is the DFA 377.2 or a County substitute containing all notice requirements.~~

HANDBOOK ENDS HERE

.26 (Continued)

HANDBOOK BEGINS HERE

~~Handbook Section 63-504.26(MR) shall become inoperative and Handbook Section 63-504.26(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)The Department of Social Services and the CWDs are permanently enjoined by court order in Saldivar v. McMahon from implementing MPP 22-022(j). Therefore, the CWDs are to continue to provide timely and adequate notice in all instances where the proposed action would result in a discontinuance or reduction of benefits due to a late or incomplete CA 7.~~

~~(QR)The Department of Social Services and the CWDs are permanently enjoined by court order in Saldivar v. McMahon from implementing MPP Sections 22-071 and 22-072. Therefore, the CWDs are to continue to provide timely and adequate notice in all instances where the proposed action would result in a discontinuance or reduction of benefits due to a late or incomplete QR 7.~~

HANDBOOK ENDS HERE

.263 Proposed Change in Benefits

Section 63-504.263(MRQR) shall become inoperative and Section 63-504.263(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR)~~ Notice of a proposed change in benefits shall be sent to a monthly reporting household that fails to submit verification/information of a deduction with a CA 7 that is otherwise complete as specified in Section 63-504.32, or submits a CA 7 that contains questionable information as defined in Section 63-300.53.

(QR) Notice of a proposed change in benefits shall be sent to a QR household that fails to submit verification/information of a deduction with a QR 7 that is otherwise complete as specified in Section 63-504.32, or submits a QR 7 that contains questionable information as defined in Section 63-300.53.

(SAR) Notice of a proposed change in benefits shall be sent to a SAR household that fails to submit verification/information of a deduction with a periodic report that is otherwise complete as specified in Section 63-504.32, or submits a periodic report that contains questionable information as defined in Section 63-300.53.

~~(a)~~ Section 63-504.263(a)(MR) shall become inoperative and Section 63-504.263(a)(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)~~ The notice of action shall be sent no later than 10 days before the end of the report month. The household shall be given until the extended filing date to provide the missing verification/information.

~~(QR)~~ The notice of action shall be sent no later than 10 days before the end of the Submit Month. The household shall be given until the extended filing date to provide the missing verification/information.

(b) Section 63-504.263(b)(MRQR) shall become inoperative and Section 63-504.263(b)(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR)~~ If the household submits a CA 7 after the CWD has mailed the notice specified in Section 63-504.27, the CWD need not provide a notice informing the household of a proposed change in benefits.

(QR) If the household submits a QR 7 after the CWD has mailed the notice of action ~~specified in Section 63-504.27~~, the CWD need not provide a notice informing the household of a proposed change in benefits.

(SAR) If the household submits a periodic report after the CWD has mailed the notice of action, the CWD need not provide a notice informing the household of a proposed change in benefits.

(c) (Continued)

.264 Section 63-504.264 et seq. ~~(MRQR)~~ shall become inoperative and Section 63-504.264 et seq. ~~(QRSAR)~~ shall become operative in a county on the date ~~QR/PBSAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR) Notification to Monthly Reporting Households~~

(QR) Notification to Quarterly Reporting Households

(SAR) Notification to SAR Reporting Households

~~(MR) The CWD shall provide a notice of action to a monthly reporting household to inform them of any increase or decrease in benefits or any suspension of benefits as specified in Section 63-504.37, resulting from information reported by the household on the CA 7.~~

(QR) The CWD shall provide a notice of action to a QR household to inform them of any increase or decrease in benefits as specified in Section 63-504.37, resulting from information reported by the household on the QR 7.

(SAR) The CWD shall provide a notice of action to a SAR household to inform them of any increase or decrease in benefits resulting from information reported by the household on the periodic report.

~~(MR) (a) Notice shall be provided to a household which submits a complete CA 7, including all required verification, to the CWD by the 11th of the report month:~~

(QRa) (aQR) Notice shall be provided to a household which submits a complete QR 7, including all required verification, to the CWD by the 11th of the submit month:

(1) At least 10 days before the effective date of a decrease in benefits; or

(2) No later than the date of receipt for an increase in benefits.

(SAR) Notice shall be provided to a household which submits a complete periodic report, including all required verification, to the CWD by the 11th of the submit month:

(1) At least 10 days before the effective date of a decrease in benefits; or

(2) No later than the date of receipt for an increase in benefits.

~~(MR) (b) Notice shall be provided to a household which submits a complete CA 7 after the 11th of the report month and by the extended filing date no later than the household's normal or delayed issuance date.~~

~~(QRb) (bQR) Notice shall be provided to a household which submits a complete QR 7 after the 11th of the submit month and by the extended filing date no later than the household's normal or delayed issuance date.~~

(SAR) Notice shall be provided to a household which submits a complete periodic report after the 11th of the submit month and by the extended filing date no later than the household's normal or delayed issuance date.

HANDBOOK BEGINS HERE

~~.265 Section 63-504.265(MR) shall become inoperative and Section 63-504.265(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) The recommended CDSS developed form to use for notification of changes in eligibility status or benefit levels, or the suspension of benefits, is the DFA 377.4 or a County substitute containing all notice requirements.~~

~~(QR) The recommended CDSS developed form to use for notification of changes in eligibility status or benefit levels is the DFA 377.4 QR or a county substitute containing all notice requirements.~~

(Reserved)

HANDBOOK ENDS HERE

.266 (Continued)

(d) Section 63-504.266(d)(MRQR) shall become inoperative and Section 63-504.266(d)(QRSAR) shall become operative in a county on the

date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) The monthly reporting household's allotment varies from month to month during the beginning months to take into account changes which were estimated at the time of certification and the household was so notified at the time of certification.~~

(QR) The QR household's allotment is adjusted to take into account changes which were anticipated at the time of certification and the household was so notified at the time of certification.

(SAR) The SAR household's allotment is adjusted to take into account changes which were anticipated at the time of certification and the household was so notified at the time of certification.

~~(e) Section 63-504.266(e)(MR) shall become inoperative and Section 63-504.266(e)(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) The nonmonthly reporting household's allotment varies from month to month within the certification period to take into account changes which were anticipated at the time of certification, and the household was so notified at the time of certification.~~

~~(QR) The change reporting household's allotment varies from month to month within the certification period to take into account changes which were anticipated at the time of certification, and the household was so notified at the time of certification.~~

(f) (Continued)

(j) Section 63-504.266(j)(~~MR~~QR) shall become inoperative and Section 63-504.266(j)(~~QR~~SAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) A household's participation in the Food Stamp Program is terminated as specified in Section 63-504.33, because the household failed to respond to the notice of action informing them of the nonreceipt of the CA 7 by filing a complete CA 7 by the extended filing date.~~

(QR) A household's participation in the Food Stamp Program is terminated as specified in Section 63-508.6, because the household failed to respond to the notice of action informing them of the nonreceipt of the

QR 7 by filing a complete QR 7 by the extended filing date.

(SAR) A household's participation in the CalFresh Program is terminated as specified in Section 63-505.7 because the household failed to respond to the notice of action informing them of the nonreceipt of the periodic report by filing a complete periodic report by the extended filing date.

(k) (Continued)

.267 (Continued)

(e) (Continued)

(1) (Continued)

(2) Section 63-504.267(e)(2)(~~MRQR~~) shall become inoperative and Section 63-504.267(e)(2)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR) The household responding to a notice of action requesting the household to submit a complete CA 7 by the extended filing date.~~

~~(QR) The household responding to a notice of action requesting the household to submit a complete QR 7 by the extended filing date.~~

~~(SAR) The household responding to a notice of action requesting the household to submit a complete periodic report by the extended filing date.~~

~~.27 Sections 63-504.27 et seq.(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~CA 7 Not Received/CA 7 Incomplete~~

HANDBOOK BEGINS HERE

~~See handbook section in 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.~~

HANDBOOK ENDS HERE

~~The CWD shall provide a notice of action to a monthly reporting household which fails to file a CA 7 by the 11th of the report month or files an incomplete CA 7.~~

~~(MR).271 The notice of action shall inform the household:~~

~~(MR) (a) That the CA 7 either is overdue or incomplete;~~

~~(MR) (b) What the household must do to complete the CA 7;~~

~~(MR) (c) If any verification is missing and the effect on the household's benefits level;~~

~~(MR) (d) That the SSN of a new member must be reported;~~

~~(MR) (e) What the extended filing date is; and~~

~~(MR) (f) That the CWD will assist the household in completing the report.~~

~~(MR).272 The CWD shall send the notice of action no later than 10 days before the end of the report month and give the household until the extended filing date, as specified in Section 63-504.33, to file a complete CA 7. If a complete CA 7 is received after the 11th of the report month, but prior to the mailing of the notice, the notice shall not be sent.~~

~~(MR).273 If a household responds to the notice of action by submitting an incomplete CA 7, the CWD need not provide a second notice to the household.~~

HANDBOOK BEGINS HERE

~~(MR).274 The recommended CDSS developed forms to use in notifying households of a missing or incomplete CA 7 are the NA 960X or NA 960Y, respectively or a County substitute containing all notice requirements.~~

HANDBOOK ENDS HERE

~~.3 Sections 63-504.3 et seq.(MR) shall become inoperative in a county on the date QR/PB becomes effective in that county, pursuant to the Director's QR/PB Declaration.~~

~~(MR)Monthly Reporting~~

~~(MR)The CWD, at the time of the application interview, shall determine which households are subject to monthly reporting requirements, as specified in Section 63-505.2. The CWD shall provide all monthly reporting households with the CA 7 for reporting the information and changes required by Section 63-505.3. The CWD shall provide assistance in completing and filing the CA 7 to households whose adult members are all either mentally or physically disabled, non English speaking or lacking in reading and writing skills such~~

~~that they cannot complete and file the CA 7. The CWD shall require monthly reporting households to submit a complete CA 7 by the 5th of each report month. Recipient due dates and CWD time limits shall be modified by Section 63-102e.~~

~~(MR).31—CWD Action on the CA 7~~

~~(MR).311—Upon receiving the CA 7 the CWD shall:~~

- ~~(MR) (a) — Review the report to ensure completeness and consider the report incomplete if it does not meet the criteria for a complete CA 7, as defined in Section 63-504.32.~~
- ~~(MR) (b) — Determine those items which will require additional verification and/or clarification, in accordance with Section 63-504.34.~~
- ~~(MR) (c) — Notify the household, as specified in Section 63-504.33, of the need to correct an incomplete or inaccurate CA 7, and/or submit additional verification/clarification, as required by Section 63-504.34.~~
- ~~(MR) (d) — Determine the household's eligibility prospectively by considering all factors, including income, in accordance with Section 63-503.321(a).~~
- ~~(MR) (e) — Determine the household's level of benefits based on actual information reported on the CA 7 and household composition determined as of the issuance month, in accordance with Section 63-503.3. In calculating the household's benefit level, the following income and deductions shall be considered:
 - ~~(MR) (1) — Nonexcluded earned and unearned income received in the corresponding budget month, including the earned income of an elementary or secondary school student only if the student is 18 years of age or older at the beginning of the budget month except as specified in Section 63-407(a)(4)(A). The CWD shall use the actual amount received by the household to compute benefits, except as provided in Section 63-503.22.~~
 - ~~(MR) (2) — Allowable deductions as billed or averaged from the corresponding budget month, including those shelter costs billed less often than monthly which the household has chosen to average.~~~~
- ~~(MR) (f) — Issue benefits, in accordance with the time frames set forth in Section 63-504.38.~~

~~(MR).32—Complete CA 7~~

~~The CWD shall consider the CA 7 complete if all of the following requirements are met.~~

~~(MR).321 The CA 7 is dated no earlier than the first day of the report month.~~

~~(MR) (a) This requirement shall be met when the date entered on the CA 7, together with other dated material provided with the CA 7, and the date on which the CWD mailed or gave the CA 7 to the household clearly establishes the month and year to which the CA 7 applies.~~

~~(MR) (b) This requirement shall not apply when:~~

~~(MR) (1) The first day of the report month falls on a nonpostal delivery day;~~

~~(MR) (2) The CA 7 is mailed by the CWD for delivery on the last postal delivery day of the budget month; and~~

~~(MR) (3) The recipient signs and dates the CA 7 on or before the last day of the budget month.~~

~~(MR).322 The CA 7 provides the CWD with address (location) information sufficient to locate the household, however, households which do not have a fixed address shall not have their CA 7s rendered incomplete solely for this reason.~~

~~(MR).323 The CA 7 is signed by the head of the household, authorized representative, or responsible household member. The PA caretaker relative, natural or adoptive parent, if not one of the above, shall not satisfy this requirement.~~

~~(MR).324 All questions and items pertaining to food stamp eligibility are fully answered and provide the CWD with the information to correctly determine eligibility and benefit level, except as specified in Sections 63-504.324(c) and (d) and Section 63-505.311.~~

~~(MR) (a) To be considered fully answered, information on the CA 7 together with attached documentation must provide sufficient information to allow for the determination of eligibility and/or benefit level.~~

~~(MR) (b) Questions on the CA 7 shall not be considered fully answered if situations such as, but not limited to the following, exist:~~

~~(MR) (1) The CA 7 does not include information on changes that the household has previously reported to have occurred; for example, an actual change that the household reported to the CWD by telephone was not included on the CA 7 unless the appropriate case action has already been taken.~~

~~(MR) (2) — The CA 7 does not include information that was reported on the previous CA 7 and the household does not indicate a change has occurred, e.g., the household previously reported earnings from two sources and this month reports earnings from one source but does not explain the change.~~

~~(MR) (c) — If elements pertaining to one program's requirements are missing from the CA 7, the CA 7 shall be considered incomplete for that program only.~~

~~(MR) (d) — The CWD shall not consider the CA 7 incomplete if information regarding child/spousal support disregard payments has not been included.~~

~~(MR).325 — Verification is provided for gross nonexcluded earned income each month and nonexcluded unearned income when first reported and when there is a change in the amount of income received, except as specified in Sections 63-505.311, and 63-504.325(a).~~

~~(MR) (a) — For child/spousal support disregard payments, the agency record shall be the verification.~~

~~(MR).326 — Verification is provided for the source of all excluded income when first reported and when there is a change in the source of the income.~~

~~(MR).33 — CWD Action on an Incomplete CA 7~~

HANDBOOK BEGINS HERE

~~(MR)(a) — See handbook section in 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.~~

HANDBOOK ENDS HERE

~~(MR)(b) — After notifying the household as specified in Section 63-504.27, the CWD shall allow the household until the extended filing date to file a complete CA 7.~~

~~(MR)(c) — The household's participation shall be terminated effective the end of the report month, as specified in Section 63-504.36, if the household fails to file a complete CA 7 by the extended filing date.~~

~~(MR).34 — CWD Action on a Complete CA 7 Requiring Additional Verification/Information~~

HANDBOOK BEGINS HERE

~~See handbook section in 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.~~

HANDBOOK ENDS HERE

~~If the household submits a CA 7 by the date the CWD mails the notification of the missing CA 7, but fails to provide the required verification/information with the CA 7, the CWD shall notify the household as specified in Section 63-504.26 of the need to submit the missing verification/information by the extended filing date. The CWD shall not delay benefits if the missing verification/information is for a deduction. If the household fails to provide the missing verification/information, other than for income, by the extended filing date, the CWD shall not consider the CA 7 incomplete. Any deductions for which the verification/information is missing shall be disallowed. Items specified in Sections 63-504.341(g) and (h) shall be handled as specified in Section 63-504.342.~~

~~(MR).341—The household shall provide with the CA 7 verification of the following items:~~

~~(MR) (a) — Dependent care costs which have changed since the last report or when there is questionable information which is inaccurate, incomplete, outdated, or inconsistent;~~

~~(MR) (b) — If the household voluntarily reports a change in its medical expenses and fails to verify the change as specified in Section 63-504.421, and that change would increase the household's allotment, the CWD shall not make the change. The CWD shall act on reported changes without requiring verification if the changes would decrease the household's allotment or make the household ineligible, although verification which is required as specified in Section 63-504.421 shall be obtained prior to the household's recertification.~~

~~(MR) (c) — Utility costs which entitle the household to the standard utility allowance (SUA). The household shall provide verification of these costs when first allowed entitlement to the SUA and when the household moves;~~

~~(MR) (d) — Actual utility costs, if the household is claiming the actual expenses, when first allowed as a deduction, and when there is a move;~~

~~(MR) (e) — All expenses incurred in producing self-employment income;~~

~~(MR) (f) — Residency as defined in Section 63-401 when there is a change;~~

~~(MR) (g) — Social Security numbers or citizenship or alien status for household~~

members when there is a change.

~~(MR) (h) — A change in the legal obligation to pay child support to a person not in the food stamp household, as specified in Section 63-502.37, and/or an increase in the amount of child support payments.~~

~~(MR).342 — The CWD may elect to require verification of housing costs when first allowed as a deduction and when there is a move, as specified in Section 63-300.52.~~

~~(MR).343 — If the household submits information and/or verification with the CA-7 which the CWD determines to be questionable, as specified in Section 63-300.53, the CWD shall notify the household as specified in Section 63-504.26. The household shall be allowed until the extended filing date to submit the necessary verification/clarification. If the household fails to submit the necessary verification/clarification by the extended filing date, the CWD shall act on the reported information if it results in a decrease in benefits, or not act on the reported information if it results in an increase.~~

~~(MR).344 — The CWD shall contact the household as needed to obtain further information on specific items. These items include, but are not limited to:~~

~~(MR) (a) — The effect of a reported change in resources on a household's total resources; and~~

~~(MR) (b) — The effect of a reported change in household composition or loss of job or source of earned income on the applicability of the work registration or voluntary quit requirements.~~

~~(MR).35 — Action on Reported Information~~

HANDBOOK BEGINS HERE

~~See handbook section in 63-504.26 for Saldivar v. McMahon court order requirements for timely and adequate notice.~~

HANDBOOK ENDS HERE

~~(MR).351 — The CWD shall take prompt action on all changes to determine if the reported information affects the household's eligibility and/or benefit level.~~

~~(MR) (a) — If the reported change results in the household becoming ineligible, the CWD shall terminate the household's participation effective the next issuance month unless the household is suspended, as specified in Sections 63-504.371 or .372.~~

- ~~(MR) (b) — Excess resources shall not be counted if they are reduced to the resource limit in the month received.~~
- ~~(MR).352 — If the change reported on the CA 7, except for the addition of a new household member results in an increase or decrease in benefits, the CWD shall make the change effective the next issuance month and notify the household as specified in Section 63-504.26.~~
- ~~(MR).353 — If the reported change results in an increase or decrease in a household's benefits due to the addition of a new household member, the CWD shall make a determination of the new household member's eligibility within 30 days of the date the change was reported. To complete the determination, the CWD has the option either to require the household to complete the CA 8, or to contact the household to obtain the necessary information for the new member and update the last application. However, if the change in circumstances brings continued eligibility into question, the CWD may shorten the certification period of the household, as specified in Section 63-504.14, and proceed to recertify the household.~~
- ~~(MR) (a) — The CWD shall issue benefits for the new member effective the first of the month following the month in which the change was reported. The new member shall be required to comply with the verification requirements specified in Section 63-300.5 and the work registration requirements specified in Section 63-407. If the new member is not eligible to participate, the CWD shall treat the income of that excluded member as specified in Section 63-503.44.~~
- ~~(MR) (b) — The CWD shall prospectively budget the new member's income and specific deduction in combination with the existing household's retrospectively budgeted income and deductions to determine the household's benefit level for the first two months the new member is added to the household. The entire household shall be retrospectively budgeted in the third and subsequent months. If the new member had been providing income to the household on an ongoing basis prior to becoming a member of the household and that new member's income had been budgeted retrospectively, the CWD shall exclude the previously provided income in determining the household's issuance month benefits and eligibility.~~
- ~~(MR) 1. — The CWD shall add a previously excluded member's income (an individual who was disqualified for an IPV or failure to comply with workfare or work requirements, was ineligible because of failure to comply with the social security number requirement, or was previously an ineligible alien), retrospectively. The previously excluded member shall be added to the household the month after the disqualification~~

~~period ends. All other previously excluded members such as SSI/SSP individuals or ineligible students, shall have his/her income added prospectively in accordance with the procedures in paragraph (a) of this section.~~

- ~~(MR) (e) The CWD shall notify the household as specified in Section 63-504.26, if the new member's income and resources make the household ineligible or result in a reduction or increase in benefits.~~
- ~~(MR).354 If the household reports the addition of a new member after the extended filing date for the appropriate month, the CWD shall determine the effect of the new member's income, resources, and deductions on the existing household's eligibility and benefit level.~~
- ~~(MR) (a) The CWD shall prospectively budget the income and deductions of the new member for the first two months following the month in which the new member should have been included as a member of the household. The CWD then shall follow the budgeting procedures as specified in Section 63-504.353(b).~~
- ~~(MR) (b) The CWD shall establish a claim against the household, in accordance with Section 63-801, to recover any overissuances resulting from the unreported addition of the household member.~~
- ~~(MR) (c) The household shall not be entitled to any restoration of lost benefits resulting from the unreported addition of the household member, in accordance with Section 63-802.1.~~
- ~~(MR).355 The household shall provide, as specified in Sections 63-300.51 and 63-504.32, the information necessary to complete the determinations of eligibility and benefit levels for the household and the new member(s).~~
- ~~(MR) (a) If the household refuses to provide the necessary information, their participation shall be terminated as specified in Section 63-505.1.~~
- ~~(MR) (b) If the household fails to provide the necessary information regarding the new member on the CA 7 for the budget month in which the change was reported, the CA 7 is considered incomplete and the household's participation shall be terminated as specified in Section 63-504.361(b).~~
- ~~(MR).356 The income and specific deductions of a member leaving the household shall be disregarded when determining the household's eligibility and benefit level for the month following the month in which the change was reported. The household shall be sent a notice of action as specified in Section 63-504.26 if the household's allotment increases or decreases. The remaining household~~

members' benefit level shall continue to be retrospectively budgeted.

~~(MR).357—If a household reports a change outside of the CA 7, the CWD shall evaluate the effect of the change on the household's eligibility and benefit level. Regardless of the effect, the CWD shall inform the household to include the information on the next month's CA 7 and inform the household of any additional verification requirements.~~

~~(MR) (a) — If the change results in the household's ineligibility, the CWD shall terminate the household's participation effective the first issuance month following the timely notice of the termination.~~

~~(MR) (b) — Except for the addition of a household member, if the change affects the benefit level, the CWD shall note the information in the case file, reflect the change in the corresponding issuance month and notify the household as specified in Section 63-504.26.~~

~~(MR).36—Termination~~

~~(MR).361—The CWD shall terminate a monthly reporting household's participation in the Food Stamp Program if the household:~~

~~(MR) (a) — Is no longer eligible for Food Stamps or a change in household circumstances makes the household prospectively ineligible for one or more months, except if the household is suspended as specified in Sections 63-504.371 or .372. The household shall be notified as specified in Section 63-504.261.~~

~~(MR) (b) — Fails to submit a complete CA 7 by the extended filing date. The household shall be notified as specified in Section 63-504.27.~~

~~(MR) (c) — Fails to comply with a nonfinancial eligibility requirement, such as the work registration requirements. The household shall be notified as specified in Section 63-504.261.~~

~~(MR) (d) — Requests the termination in writing. The household shall be notified as specified in Section 63-504.267(f).~~

~~(MR).362—If a household whose participation has been terminated reapplies in the month following termination, the household shall be required to provide the CA 7 which is due in the month following termination. If the household's participation was terminated for failure to submit a complete CA 7 by the extended filing date, they also shall be required to submit the missing CA 7(s) and complete an application. The application shall be processed as an untimely application for recertification. If the household fails to provide the CA 7(s), the reapplication shall be denied.~~

~~(MR).363—If a household whose participation has been terminated submits a complete CA 7 after the issuance month, the household shall be required to complete an application and the CWD shall consider it as an initial application.~~

~~(MR).37—Suspension~~

~~(MR).371—The CWD shall suspend a household, in the issuance month corresponding to the budget month in which the change occurred, if receipt of an additional routine check (third check for those paid biweekly and fifth check for those paid weekly) results in a period of ineligibility lasting no more than one month.~~

~~(MR).372—For changes that could not be or were not anticipated by the household or the CWD and that result in a one month period of ineligibility, the CWD shall suspend the household for the issuance month corresponding to the budget month in which the change occurred.~~

~~(MR) (a)—Excess resources shall not be counted if they are reduced to the resource limit in the month received.~~

~~(MR) (b)—If a suspended household experiences an unanticipated change resulting in an additional one month period of ineligibility, the CWD shall terminate the household at the end of the month of suspension. If the household reapplies in the month following termination and is prospectively determined to be eligible for benefits, the CWD shall approve the application. If ineligible in the month of reapplication due to retrospective budgeting, the CWD shall suspend the household for the month of reapplication and continue to retrospectively budget the household's income and deductions in the subsequent months.~~

~~(MR).373—The CWD shall notify the household of the suspension as specified in Section 63-504.264, and supply the household with a CA 7 for the month of suspension.~~

~~(MR).374—The household shall be required to submit the complete CA 7 by the normal due date. If the household fails to submit the CA 7 by the normal due date, the CWD shall notify the household as specified in Section 63-504.27.~~

~~(MR).375—If the suspended household fails to submit a complete CA 7 for the month of suspension by the extended filing date, the CWD shall terminate the household's participation.~~

~~(MR).376—Retrospective budgeting shall be used to calculate the household's benefit level in the month following suspension, if the household is eligible to participate in the Food Stamp Program.~~

~~(MR).38 Issuance of Benefits~~

~~(MR).381 Timely Issuance~~

~~The CWD shall issue benefits by the household's regular issuance date, to an eligible household which has filed a complete CA 7 by 10 days before the end of the report month.~~

~~(MR).382 Delayed Issuance~~

~~If an eligible household fails to file a complete CA 7 after 10 days before the end of the report month, but files a complete CA 7 by the extended filing date, the CWD shall issue the household's benefits as soon as administratively feasible. However, if necessary the CWD may delay providing the household an opportunity to participate up to 10 days after its normal issuance date.~~

~~.39.3 Mass Changes~~

~~(Continued)~~

~~.391.31 Federal Adjustments to Eligibility Standards, Allotments, Deductions, and State Adjustments to the Standard Utility Allowance~~

~~(a) (Continued)~~

~~.392.32 Mass Changes in Public Assistance~~

~~(a) (Continued)~~

~~.4 Section 63-504.4(MR) shall become inoperative and Section 63-504.4(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)Effecting Changes for Nonmonthly Reporting Households~~

~~(QR) Effecting Changes for Change Reporting Households~~

~~.41 Change Report Form (DFA 377.5)~~

~~The CWD shall provide a DFA 377.5 change report form to all nonmonthly change reporting households. (Continued)~~

~~.42 Section 63-504.42(MR) shall become inoperative and Section 63-504.42(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) Action on Reported Changes for Prospectively Budgeted Households~~

~~(QR) Action on Reported Changes in Change Reporting Households~~

.421 (Continued)

.43 ~~Section 63-504.43(MR) shall become inoperative and Section 63-504.43(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) Nonmonthly Reporting Households Receiving PA Benefits~~

~~(QR) Change Reporting Households Receiving PA Benefits~~

.431 (Continued)

.432 ~~Section 63-504.432 et seq.(MRQR) shall become inoperative and Section 63-504.432 et seq.(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.~~

~~(MR) The CWD shall use the CA 7 as the Food Stamp report form for PA households. The CWD shall ensure that the following requirements are met for PA households not subject to food stamp monthly reporting:~~

- ~~(a) These households shall not have their eligibility terminated or allotments changed merely because they fail to submit one or more of the system's regular reports. If a household's PA benefits are terminated due to the household's failure to submit a timely or complete CA 7, the CWD shall follow the procedures set forth in Section 63-504.435.~~
- ~~(b) These households shall be considered to have timely reported changes if the CA 7 is submitted within the time frames for submitting a timely CA 7 or the change was reported within 10 days of the date the change became known to the household, whichever is later.~~
- ~~(c) The CWD shall not restrict these households to reporting changes only on the CA 7. These households shall be allowed to report changes on the CA 7, in person or by telephone.~~
- ~~(d) The CWD shall act on all changes reported on the CA 7, in accordance with the processing standards in Section 63-504.42. The CWD shall ensure that adjustments are made in a household's eligibility or allotment only for those months in which the reported change is~~

~~anticipated to remain in effect.~~

(QR) The CWD shall use the QR 7 as the food stamp report form for PA households. The CWD shall ensure that the following requirements are met for PA households not subject to food stamp QR:

- (a) These households shall not have their eligibility terminated or allotments changed merely because they fail to submit one or more of the system's regular reports. If a household's PA benefits are terminated due to the household's failure to submit a timely or complete QR 7, the CWD shall follow the procedures set forth in Section 63-504.435.
- (b) These households shall be considered to have timely reported changes if the QR 7 is submitted within the time frames for submitting a timely QR 7 or the change was reported within 10 days of the date the change became known to the household, whichever is later.
- (c) The CWD shall not restrict these households to reporting changes only on the QR 7. These households shall be allowed to report changes on the QR 3 or QR 377.5, in person or by telephone.
- (d) The CWD shall act on all changes reported on the QR 7, in accordance with the processing standards in Section 63-504.42. The CWD shall insure that adjustments are made in a household's eligibility or allotment only for those months in which the reported change is anticipated to remain in effect.

(SAR) The CWD may use the periodic report as the CalFresh report form for PA households that are change reporting for CalFresh. The CWD shall ensure that the following requirements are met for change reporting households:

- (a) These households shall not have their eligibility terminated or allotments changed merely because they fail to submit one or more of the system's regular reports. If a household's PA benefits are terminated due to the household's failure to submit a timely or complete periodic report, the CWD shall follow the procedures set forth in Section 63-504.435.
- (b) These households shall be considered to have timely reported changes if the periodic report is submitted within the time frames for submitting a timely periodic report or the change was reported within 10 days of the date the change became known to the household, whichever is later.
- (c) The CWD shall not restrict these households to reporting changes only

on the periodic report.

- (d) The CWD shall act on all changes reported on the periodic report or recertification, in accordance with the processing standards in Section 63-504.42. The CWD shall insure that adjustments are made in a household's eligibility or allotment only for those months in which the reported change is anticipated to remain in effect.

.433 (Continued)

- .5 Sections 63-504.5 through .512(MRQR) shall become inoperative and Sections 63-504.5 through .512(QRSAR) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Procedures for Households Changing Their Reporting and Budgeting Status~~

~~.51 Households which become subject to monthly reporting/retrospective budgeting~~

~~The CWD shall change the reporting/budgeting status of households which become subject to monthly reporting at any time following the change in household circumstances which results in a change in the household's monthly reporting/retrospective budgeting status subject to the following conditions:~~

~~.511 The CWD shall provide the household with information as specified in Section 63-300.41. If the CWD implements the change during the certification period, it may omit the oral explanations for monthly reporting/retrospective budgeting.~~

~~.512 The CWD shall not require the household to submit a CA 7 during any month in which the household was subject to nonmonthly reporting requirements.~~

~~(QR) Procedures for Households Changing Their Reporting Status~~

(QR) 51 Households which become subject to QR/PB

The CWD shall change the status of households which become subject to QR/PB beginning with the first month following the change in household circumstances which results in a change in the household's QR/PB status. The following conditions shall apply:

.511 The CWD shall provide the household with information as specified in Section 63-300.41. If the CWD implements the change during the certification period, it may omit the verbal explanations for QR/PB.

.512 The CWD shall not require the household to submit a QR 7 any month in

which the household was subject to change reporting requirements.

(SAR).51 Households which become subject to SAR

The CWD shall change the status of households which become subject to SAR beginning with the first month following the change in household circumstances which results in a change in the household's SAR status. The following conditions shall apply:

.511 The CWD shall provide the household with information as specified in Section 63-300.41(SAR). If the CWD implements the change during the certification period, it may omit the verbal explanations for SAR.

.512 The CWD shall not require the household to submit a periodic report any month in which the household was subject to change reporting requirements.

.52 Section 63-504.52(~~MRQR~~) shall become inoperative and Section 63-504.52(~~QRSAR~~) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR)Households which are no longer subject to monthly reporting/retrospective budgeting~~

~~(MR)The CWD shall use the following procedures to remove households from the monthly reporting/retrospective budgeting system.~~

(QR) The CWD shall use the following procedures to remove households from the QR/PB budgeting system.

(SAR)The CWD shall use the following procedures to remove households from the SAR budgeting system.

.521 Section 63-504.521(~~MRQR~~) shall become inoperative and Section 63-504.521(~~QRSAR~~) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) For any household which becomes exempt from the monthly reporting/retrospective budgeting system as specified in Section 63-505.21, the CWD shall notify the household within 10 days of the date the CWD becomes aware of the change that:~~

~~(a) The household has become exempt from monthly reporting and is no longer required to file any future CA 7s. This does not apply to households in which one or more household members are in receipt of cash aid from programs such as AFDC, GA/GR, RCA or ECA which do require a monthly report.~~

- (b) ~~The household has also become exempt from retrospective budgeting, and when~~
 - (e) ~~The change in budgeting will go into effect.~~
- (QR) For any household which becomes exempt from the QR/PB budgeting system as specified in Section 63-505.21, the CWD shall notify the household within 10 days of the date the CWD becomes aware of the change that:
- (a) The household has become exempt from QR and is no longer required to file any future QR 7s. This does not apply to households in which one or more household members are in receipt of cash aid from programs such as CalWORKs, CA/GR, RCA or ECA which do require a quarterly report.
 - (b) The change in budgeting will go into effect.
- (SAR) For any household which becomes exempt from the SAR budgeting system as specified in Section 63-505.21(SAR), the CWD shall notify the household within 10 days of the date the CWD becomes aware of the change that:
- (a) The household has become exempt from SAR and is no longer required to file any future periodic reports. This does not apply to households in which one or more household members are in receipt of cash aid from programs such as CalWORKs, CA/GR, RCA or ECA which do require a periodic report.
 - (b) The change in budgeting will go into effect.
- .522 Section 63-504.522~~(MRQR)~~ shall become inoperative and Section 63-504.522~~(QRSAR)~~ shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.
- ~~(MR) The CWD shall begin determining the household's benefits prospectively in the first month that the household is no longer required to file a CA 7.~~
- (QR) The CWD shall begin determining the household's benefits using change reporting rules the first month following the status change from QR to change reporting.
- (SAR) The CWD shall begin determining the household's benefits using change reporting rules the first month following the status change from SAR to change reporting.

.6 (Continued)

.61 (Continued)

(c) (Continued)

(1) Section 63-504.61(c)(1)(~~MRQR~~) shall become inoperative and Section 63-504.61(c)(1)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR Declaration~~.

~~(MR) Monthly reporting households which file a complete CA 7 on or before the 11th of the last month of the certification period, and an application no later than the recertification interview shall be considered to have made a timely application for recertification.~~

(QR) QR households which file a complete QR 7 on or before the 11th of the last month of the certification period, and an application no later than the recertification interview shall be considered to have made a timely application for recertification.

(SAR) All households except those provided a notice of action informing them of the expiration of their certification period at the time of certification, who file applications by the 15th day of the last month of the certification period, shall be considered to have made a timely application for recertification.

(a) In the rare circumstance that a household is given a one or two month certification period, an application for recertification is considered timely when it is submitted within 15 days of receipt of the Notice of Expiration of Certification (NEC). In this instance, the NEC would be provided with the approval of CalFresh benefits.

(2) Section 63-504.61(c)(2)(~~MRQR~~) shall become inoperative and Section 63-504.61(c)(2)(~~QRSAR~~) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR Declaration~~.

~~(MR) All nonmonthly reporting households, except those provided a notice of action informing them of the expiration of their certification period at the time of certification, who file applications by the 15th day of the last month of the certification period shall be considered to have made a timely application for recertification.~~

(QR) If the certification period ends in the QR Submit Month, all change

reporting households, except those provided a notice of action informing them of the expiration of their certification period at the time of certification, who file applications by the 15th day of the last month of the certification period shall be considered to have made a timely application for recertification.

(SAR) Households provided a notice of action informing them of the expiration of their certification period at the time of certification (i.e. households certified for one or two months) shall have 15 days from the date the notice is received to file a timely application for recertification.

(A) To determine if adequate time has been permitted, the CWD shall use the date on the notice of action, plus two days for mailing time.

(B) In case of dispute, if the household can demonstrate that the notice of action was not received in a timely manner and otherwise submits their application within 15 days after receiving the notice, the CWD shall consider the household to have made a timely application for recertification.

(3) Section 63-504.61(c)(3)(~~MR~~QR) shall become inoperative and Section 63-504.61(e)(3)(~~QR~~) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ County's SAR Declaration.

~~(MR) Nonmonthly reporting households provided a notice of action informing them of the expiration of their certification period at the time of certification shall have 15 days from the date the notice is received to file a timely application for recertification.~~

(QR) Change reporting households provided a notice of action informing them of the expiration of their certification period at the time of certification shall have 15 days from the date the notice is received to file a timely application for recertification.

(A) To determine if adequate time has been permitted, the CWD shall use the date on the notice of action, plus two days for mailing time.

(B) In cases of dispute, if the household can demonstrate that the notice of action was not received in a timely manner and otherwise submits their application within 15 days after receiving the notice, the CWD shall consider the household to have made a timely application for recertification.

(d) (Continued)

.62 Section 63-504.62(MRQR) shall become inoperative and ~~Section 63-504.62(QR) shall become operative in a county~~ on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB SAR Declaration.

~~(MR) CWD Action on Timely Reapplications By Monthly Reporting Households~~

(QR) CWD Action on Timely Reapplications by Quarterly Reporting Households

.621 Section 63-504.621(MRQR) shall become inoperative and ~~Section 63-504.621(QR) shall become operative in a county~~ on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) The CA 7 shall be mailed to the household at the normal mailing time or along with the notice of action informing them of the expiration of their certification period. Return of both the CA 7 and the application is required to complete the recertification.~~

~~(a) The CA 7 shall be submitted and completed as specified in Section 63-504.3.~~

~~(b) The application form shall be submitted to the CWD no later than the time of the interview.~~

~~(c) If the household has not previously filed a complete CA 7, the household may submit it at the interview. In no event shall the reapplication be considered timely if a complete CA 7 is submitted after the 11th of the last month of the certification period.~~

(QR) If the certification period ends in the QR Submit Month, the QR 7 shall be mailed to the household at the normal mailing time or along with the notice of action informing them of the expiration of their certification period. Return of both the QR 7 and the application is required to complete the recertification.

(a) The QR 7 shall be submitted and completed as specified in Section 63-508.66.

(b) The application form shall be submitted to the CWD no later than the time of the interview.

(c) If the household has not previously filed a complete QR 7, the household may submit it at the interview. In no event shall the reapplication be considered timely if a complete QR 7 is submitted after the 11th of the last month of the certification period.

.622 Section 63-504.622(~~MRQR~~) shall become inoperative and Section 63-504.622(~~QR~~) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) The CWD shall: 1) recertify the household using information on the CA 7 for the corresponding budget month to determine the household's benefit level for the first month of the new certification period; 2) delay reflecting information from the recertification interview affecting the household's benefit level until the second month of the new certification period if necessary to continue retrospective budgeting; and 3) continue to determine the household's prospective eligibility in accordance with Section 63-503.231.~~

(QR) When certification falls in the same month as the QR Submit Month, the CWD shall: 1) recertify the household using information on the QR 7 for the corresponding Data Month and information received during the certification interview to determine the household's benefit level for the first Payment Quarter of the new certification period and, 2) continue to determine the household's prospective eligibility. If the CWD establishes a certification of benefits other than in the Submit Month, the CWD must take action mid-quarter based on information received during the certification to discontinue, increase or decrease benefits, regardless of QR rules.

.623 (Continued)

.624 Section 63-504.624(~~MRQR~~) shall become inoperative and Section 63-504.624(~~QRSAR~~) shall become operative in a county on the date QR/PB SAR becomes effective in that county, pursuant to the Director's QR/PB County's SAR Declaration.

~~(MR) Households that receive a notice of action informing them of the expiration of their certification period shall be subject to the verification requirements specified in Section 63-504.3 for information provided on the CA 7. These households shall not be subject to the other CA 7 processing provisions specified in Section 63-504.3 in the last month of the certification period. The recertification provisions specified in Section 63-504.6 are in effect in this month.~~

(QR) Households that receive a notice of action informing them of the expiration of their certification period shall be subject to the verification requirements specified in Section 63-504.6 for information provided on the QR 7. (Continued).

(SAR) Households that receive a notice of action informing them of the expiration of their certification period shall be subject to the verification requirements

specified in Section 63-504.6.

~~.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 (Continued)

Authority cited: Sections 10553, 10554, 10604, 11265.1, .2, and .3, 11369, 18900.1, 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)(1)(i), (b)(3), (c)(2) 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); Assembly Bill 6, (Chapter 501, Statutes of 2011); 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; FNS Waiver #: SNAP-10-6-/Waiver 2120020
CA dated September 17, 2012.

Amend Section 63-505 to read:

63-505 HOUSEHOLD RESPONSIBILITIES

.1 (Continued)

.11 (Continued)

~~.14 Refusal to Cooperate with the Statewide Fingerprint Imaging System (SFIS) Requirement~~

~~Eligible household members who are not exempt per Sections 63-601.12 through .123 and Section 63-601.14 shall be required to fulfill SFIS requirements prior to the issuance of food stamp benefits to that household, even if the household is eligible for benefits. The SFIS requirements, exemptions, and postponements are explained in Sections 63-601.12 through .123, Section 63-601.13, and Section 63-601.14.~~

~~.141 If a household member is under the age of 18 and is applying for Food Stamp benefits as a separate household, he/she must comply with the SFIS requirements in order to receive Food Stamp benefits, unless otherwise exempt.~~

.2 Section 63-505.2(MR)(QR) shall become inoperative and Section 63-505.2(QR)(SAR) shall become operative in a county on the date ~~QR/PB SAR~~ becomes effective in that county, pursuant to the ~~Director's QR/PB County's SAR~~ Declaration.

~~(MR)Monthly Reporting/Retrospective Budgeting Households~~

~~All households participating in the Food Stamp Program except as provided in Section 63-505.21, shall report household circumstances monthly on the CA 7 as a condition of eligibility. Households shall not be required to submit any reports of changes other than the CA 7.~~

(QR) Quarterly Reporting/Prospective Budgeting Households

All households participating in the Food Stamp Program except as provided in Section 63-505.21, shall report household circumstances quarterly on the QR 7 as a condition of eligibility. QR households will also be required to report changes as specified in Sections 63-508 and 63-509.

(SAR)Semi-Annual Reporting Households

All households participating in the CalFresh Program except as provided in Section 63-505.21(SAR), shall report household circumstances semi-annually on the periodic report as a condition of eligibility.

.21 Section 63-505.21~~(MR)~~(QR) shall become inoperative and Section 63-505.21~~(QR)~~(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the ~~Director's QR/PB~~ County's SAR Declaration.

~~(MR)The following households shall be excluded from monthly reporting and retrospective budgeting. See Section 63-504.43 for those households receiving PA.~~

~~(QR)The following households shall be excluded from QR. See Section 63-504.43.~~

~~.211 Migrant farmworker households, as defined in Section 63-102(m).~~

~~.212 Seasonal farmworker households, as defined in Section 63-102s.~~

~~.213 Households in which all adult members are elderly or disabled, as defined in Section 63-102(e), and have no earned income.~~

~~.214 Households in which all members are homeless individuals, as defined in Section 63-102(h)(1).~~

~~.215 Households residing on Indian reservations.~~

~~(SAR)The following households shall be excluded from SAR. See Section 63-504.43(SAR).~~

~~.211 Migrant farmworker households, as defined in Section 63-102(m).~~

~~.212 Seasonal farmworker households, as defined in Section 63-102s.~~

~~.213 Households in which all adult members are elderly or disabled, as defined in Section 63-102(e), and have no earned income.~~

~~.214 Households in which all members are homeless individuals, as defined in Section 63-102(h)(1).~~

~~.215 Households residing on Indian reservations.~~

~~.22 Repealed by SDSS Manual Letter No. FS-89-07, effective 11/1/89.~~

.22 Semi-Annual Reporting Process

.221 Eligibility and benefit amounts will be redetermined on a semi-annual basis from information reported by the recipient on the periodic report, using PB as specified in this section.

.222 A periodic report will be required to be submitted in the sixth month

subsequent to initial certification or recertification.

.223 Recipients will have mandatory reporting requirements during the semi-annual period, also known as mid-certification period reports.

(a) When the household's gross income exceeds 130 percent of the Federal Poverty Level for the household size.

(b) Work hours for ABAWD individuals drop below 20 hours, averaged monthly

.23 Generally, benefits are frozen for the six months of the semi-annual period:

.231 Circumstances under which benefits may be adjusted during the semi-annual period are:

(a) When a voluntary recipient mid-period report results in increased benefits;

(b) When a mandatory recipient mid-certification period report results in a decrease or discontinuance of benefits if the change is considered verified upon receipt;

(c) When an individual or household requests discontinuance; or

(d) When a county-initiated action results in an increase, decrease, or discontinuance of benefits.

~~.3 Sections 63-505.3 through .34(MR) shall become inoperative and Sections 63-505.3 through .34(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)Reported Information for Monthly Reporting Households~~

~~Households shall report on a monthly basis, the following information about the household:~~

~~.31 Budget month income, except as specified in Section 63-505.311, shelter and utility costs when there is a move, child care costs, the amount of child support payments made to a nonhousehold member as specified in Section 63-502.37, household composition, and other circumstances relevant to the amount of the food stamp allotment. This information shall be reported on the CA-7.~~

~~.311 Households need not report the receipt or amount of any PA, FC, GA, RCA, ECA payments paid by the CWD from which the household is receiving food stamp benefits.~~

- ~~.32 Any changes in income, shelter and utility costs when there is a move, child care costs, a change in the legal obligation to pay child support payments to a nonhousehold member, resources or other relevant circumstances affecting eligibility which the household expects to occur in the current month or in future months, or which occurred in the budget month.~~
- ~~.33 For food stamp purposes, households need not provide PA only information requested on the CA 7.~~
- ~~.34 A reduction of work effort to less than 20 hours per week, or averaged monthly 80 hours a month, for purposes of determining whether an ABAWD has satisfied the work requirement defined in Section 63-410.2.~~

.3 Income Reporting Threshold (IRT)

.31 CalFresh (NACF Households)

For CalFresh, all recipients will be required to report any change in income that is likely to render them ineligible for CalFresh benefits (130% of FPL) mid-certification period.

.32 CalWORKS (PACF Households)

If the CalWORKs household reports income that exceeds the IRT, the CWD shall determine if the CalWORKs household's benefits will be continued or discontinued. There is a two-tiered CalWORKs IRT under SAR and CalWORKs benefits may be decreased as well as discontinued mid-certification period based on reports of income over IRT.

A CalWORKs recipient must report when their total combined total gross monthly income, earned and unearned, exceeds the lesser of the following two amounts: 1) increase in income of 55% of the monthly income of a family of three at the FPL, plus the amount of income last used to calculate benefit amounts; or 2) the level likely to render them ineligible for CalWORKs benefits (CalWORKs earned income limits).

.321 If CalWORKs benefits are unchanged; no further action is required in the PACF case.

.322 If CalWORKs benefits are decreased; CalWORKs benefit amount will be recalculated.

.323 If the CalWORKs cash grant is discontinued, households whose CalWORKs benefits are discontinued shall be processed for Transitional CalFresh (TCF).

.4 Verified Upon Receipt (VUR)

VUR means the information provided is not questionable, the provider is the primary source of the information, and no further information is needed to take action. Primary source information includes but is not limited to; BENDEX and SDX from the Social Security Administration, SAVE from the US Citizenship and Immigration Services, unemployment compensation from the State Unemployment agency, workers compensation from the state agency. Internal agency information includes but is not limited to; state agency determination of an IPV, actions taken by other programs within the county agency that affect CF expenses, information from a state, county or local work agency that a client failed to comply with work requirements.

If secondary information is required for verification in order to act on a change in another program (such as Medi-Cal), then by definition it is not VUR. Documentation may constitute verification in another program without being considered VUR in CF.

.5 Reporting Household Information

Section 63-505.51(QR) through Section 63-505.54(QR) shall become inoperative and Sections 63-505.51(SAR) through Section 63-505.57(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the County's SAR Declaration.

(QR) Reported Information for QR Households

Households shall report on a quarterly basis, the following information about the household.

~~.3451~~Data Month income, except as specified in Section ~~63-505.344~~ 63-505.511(QR), shelter and utility costs when there is a change of address, dependent care costs, the amount of child support payments made to a nonhousehold member as specified in Section 63-502.37, household composition, anticipated income and expense changes for the upcoming QR Payment Quarter and other relevant information required for a complete QR 7.

~~.34511~~Households need not report the receipt or amount of any PA, FC, GA, RCA, or ECA payments paid by the CWD from which the household is receiving food stamp benefits.

~~.3252~~Any changes as asked for on the QR 7 since the last Data Month and any expected over the next three months.

~~.3353~~For food stamp purposes, households need not provide PA only information requested on the Quarterly Report (QR 7).

~~.3454~~A reduction in hours worked to less than 20 hours per week, or 80 hours averaged

monthly, for purposes of determining whether an ABAWD has satisfied the work requirement defined in Section 63-410.

(SAR)Reported Information for SAR Households using the Periodic Report

Households shall report, on a semi-annual basis, the following information about the household.

- .51 Data Month income, except as specified in Section 63-505.311(SAR), shelter and utility costs when there is a change of address, dependent care costs, the amount of child support payments made to a nonhousehold member as specified in Section 63-502.37, household composition, anticipated income and expense changes for the upcoming SAR Payment Period and other relevant information required for a complete periodic report.
- .511 Households need not report the receipt or amount of any PA, FC, GA, RCA, or ECA payments paid by the CWD from which the household is receiving CalFresh.
- .52 Any changes as asked for on the periodic report since the last Data Month and any expected changes over the next six months.
- .53 For CalFresh purposes, households need not provide PA only information requested on the periodic report.
- .54 A reduction in hours worked to less than 20 hours per week, or 80 hours averaged monthly, for purposes of determining whether an ABAWD has satisfied the work requirement defined in Section 63-410.
- .55 Resource Eligibility
 - .551 Resource eligibility is determined only at initial certification, recertification, and with the submission of the periodic report.
 - (a) If the household exceeds the resource limit based on property that is reported on the periodic report, the case shall be discontinued, with timely and adequate notice, at the end of the SAR Submit Month.
 - (b) For households that exceed the resource limit on the periodic report, but during the Submit Month the household provides verification that the resources are below the resource limit, the household shall be considered resource eligible. A discontinuance notice shall be rescinded and benefits reinstated.
- .56 Household Composition Reporting Requirements

A household is only required to report changes in household composition on the periodic report and at recertification.

.561 Households may voluntarily report changes in household composition at any time during the certification period. Action on household composition changes reported during the certification period will only be taken if the change is considered verified upon receipt (VUR) as defined in Section 63-505.3. When considering the addition of a new household member, all resources and income of that person must be considered in the determination of eligibility and benefit level.

(a) If the head of household, or other responsible household member reports that a household member has left the home, this report is considered VUR and the member is removed from the household at the end of the month in which a 10-day notice of action (NOA) has been provided.

(1) Since the report of the household member leaving the home is considered VUR, that member's income and resources are no longer considered in the determination of eligibility and benefit amount.

(b) If the change in household composition results in increased benefits, the CWD shall take action to add the person effective the first of the month following the month in which the change was reported, after all verification has been provided.

(1) If a change is reported but not verified, the CWD shall send a request for verification notice requesting verification within 10 days. The notice shall advise the recipient that a delay in verification may result in a delay in increased benefits. If verification is not received within the 10 days specified in the notice, the CWD shall send a "no change NOA" to the household reminding them to report and provide the needed verification regarding the new household member on the next periodic report or recertification. If the household provides the verification more than 10 days after the voluntary report, the date the verification is provided is considered the new report date. Other than denying the request to add the new person, no negative action may be taken if verification is not provided, since household composition reports are voluntary except as stated in 63-505.561(a).

(c) If the person moving into the household has income that would result in a decrease in the household benefits, the county shall not take action to decrease benefits mid-period unless the change in household composition and the new person's income is considered VUR.

.57 Report of Reduction in ABAWD Work Hours or CF E&T Participation

ABAWDS who are meeting the work requirement thru employment are required to report within 10 days when their hours of work drop to below 20 hours per week or 80 hours per month. This mandatory mid-certification period reporting requirement applies only to ABAWDS in counties that do not have an approved waiver from the ABAWD work requirement or who are not otherwise exempt from ABAWD work requirements. A reduction in the number of hours in unpaid county-supervised work activities, such as workfare, are not subject to mandatory mid-certification period reporting since the county has access to this information. For non-waiver counties, refer to Section 63-410.6

.6 Processing the Periodic Report

.61 (SAR) Semi-Annual Reporting – Eligibility/Status Report

The CWD, at the time of the application interview, shall determine which households are subject to SAR requirements. The CWD shall provide all SAR households with the periodic report for reporting the information and changes required by Section 63-505.5. The CWD shall provide assistance in completing and filing the periodic report to households whose adult members are all either mentally or physically disabled, non-English speaking or lacking in reading and writing skills such that they cannot complete and file the periodic report. The CWD shall require SAR households to submit a complete periodic report by the 5th of each Submit Month. Recipient due dates and CWD time limits shall be modified by Section 63-102(c)(10).

.611 CWDs shall ensure that households receive the periodic report at the end of the SAR Data Month. Information reported on the periodic report shall be used to determine eligibility and to prospectively budget income to determine the benefit level for the upcoming SAR Payment Period.

.612 CWDs must ensure that SAR recipients provide information and answers to all questions and items on the periodic report and attest, under penalty of perjury, that they have truthfully reported all required information.

(a) Recipients will be required to report all income received for the SAR Data Month, any changes in household composition or property since the last Data Month and any changes in income the recipient anticipates will occur in the remaining months of the certification period.

.613 Upon receiving the periodic report the CWD shall:

- (a) Review the report to ensure completeness and consider the report incomplete if it does not meet the criteria for a complete periodic report, as defined in Section 63-505.63.
- (b) Determine those items which will require additional verification and/or clarification.
- (c) Notify the household, as specified in Section 63-505.7, of the need to correct an incomplete or inaccurate periodic report, and/or submit additional verification/clarification, as required by Section 63-505.7
- (d) Determine the household's eligibility prospectively by considering all factors, including income, in accordance with Section 63-505.5.
- (e) Determine the household's level of benefits for the remainder of the certification period based on information reported on the periodic report, including anticipated income for the remainder of the certification period, and household composition determined as of the Data Month. In calculating the household's benefit level, the following income and deductions shall be considered:
 - (1) Nonexcluded earned and unearned income received in the corresponding Data Month and any anticipated changes for the remainder of the certification period, including the earned income of an elementary or secondary school student only if the student is 18 years of age or older at the beginning of the Data Month. The CWD shall use the actual/reasonably anticipated amount received by the household to compute benefits.
 - (2) Allowable deductions as billed or averaged from the corresponding payment quarter or as averaged over the certification period, including those shelter costs billed less often than monthly which the household has chosen to average.
- (f) Issue benefits, in accordance with the time frames set forth in Section 63-505.73.

.62 Action on Information Reported on the Periodic Report

Prompt action shall be taken on all reported changes to determine if the reported information affects the household's eligibility and/or benefit level.

.621 The CWD shall use the information on the periodic report to determine continuing eligibility and benefit amount over the remainder of the certification period based on all eligibility factors.

- (a) The periodic report must provide a report of income received by the household on the periodic report, any changes in household composition or property since the last certification and any changes in income and medical, dependent care and child support deductions the recipient anticipates will occur during the remainder of the certification period. For treatment of shelter costs, refer to Section 63-503.233
- (b) Based on the information provided on the periodic report, the CWD shall determine continuing eligibility using prospective budgeting rules.
- (c) Changes that are reported on the periodic report and result in an increase or decrease in benefits shall be made effective the first of the month of the remainder of the certification period.
- (d) Changes that are reported on the periodic report and result in the household becoming ineligible shall terminate the household's participation effective the end of the Submit Month.

.622 When the recipient submits a periodic report subsequent to a mid-certification period report of a change, CWDs must first review changes reported on the periodic report to ensure that circumstances reported mid-certification period report are also reflected on the periodic report and should proceed as follows:

- (a) No further action shall be required if the information reported on the periodic report is consistent with information provided and verified when reported mid-certification period.
- (b) The CWD shall take action to resolve any discrepancies and determine the actual current household situation if the information on the periodic report is not consistent with information provided in the voluntary or mandatory report. The CWD shall attempt to contact the recipient to resolve any discrepancies. The periodic report shall be considered incomplete and appropriate noticing actions shall take place if the CWD is unable to contact the recipient or obtain resolution from such contact.

.623 New Household Member Reported on the Periodic Report

If a new household member is reported on the periodic report, the CWD shall

take the following actions:

- (a) To complete the determination of eligibility, the CWD has the option either to require the household to complete the required form or to contact the household to obtain the necessary information for the new member and update the last application.
- (b) If the household is determined eligible based on Data Month information, the CWD shall issue benefits for the new member effective the first day of the month following the submit month. The new member shall be required to comply with the verification requirements specified in Section 63-300.5 and the work registration requirements specified in Section 63-407.
- (c) If the household is determined ineligible based on Data Month information, the CWD shall discontinue benefits after the 10-day notice is provided to the household.
 - (1) If the household was initially determined eligible based on Data Month information, and prior to authorization of benefits, the CWD learns in the Submit Month that the new member is ineligible, that information is considered a voluntary report of a change. However, the individual is considered an excluded household member and resources and income shall be treated as reported on the periodic report in accordance with Section 63-503.442. The individual remains an excluded individual until a new eligibility determination is made with the next periodic report or recertification.
 - (2) At the time of the household's recertification, the excluded member's eligibility must be re-evaluated.

.624 Treatment of a Previously Disqualified Household Member

A previously disqualified member shall be added to the household beginning the first of the month after the disqualification period ends. If the new member is not eligible to participate, income shall be treated as that of an excluded member as specified in Section 63-503.44. Benefits would be increased mid-certification period at the time the disqualification ends.

.63 Completeness Criteria for the Periodic Report

The CWD shall consider the periodic report complete if all of the following requirements are met.

.631 The periodic report is dated no earlier than the first day of the SAR Submit

Month.

(a) This requirement shall be met when the date entered on the periodic report, together with other dated material provided with the periodic report, and the date on which the CWD mailed or gave the periodic report to the household clearly established the month and year to which the periodic report applies.

.632 This requirement shall not apply when:

(a) The first day of the SAR Submit Month falls on a non-postal delivery day;

(b) The periodic report is mailed by the CWD for delivery on the last postal delivery day of the SAR Data Month; and

(c) The recipient signs and dates the periodic report on or before the last day of the SAR Data Month.

.633 The periodic report provides the CWD with address (location) information sufficient to locate the household, however, households which do not have a fixed address shall not have their periodic report rendered incomplete solely for this reason.

.634 The periodic report is signed by the head of the household, authorized representative, or responsible household member. The PA caretaker relative, natural or adoptive parent, if not one of the above, shall not satisfy this requirement.

.635 All questions and items pertaining to CalFresh eligibility are fully answered and provide the CWD with the information to correctly determine eligibility and benefit level, except the CWD shall not consider the periodic report incomplete if information regarding child/spousal support disregard payments had not been included.

(a) To be considered fully answered, information on the periodic report together with attached documentation must provide sufficient information to allow for the determination of eligibility and/or benefit level.

(b) Questions on the periodic report shall not be considered fully answered if situations such as, but not limited to the following exist:

(1) The periodic report does not include information on voluntary changes that the household previously reported mid-period, that the county did not act upon.

(2) The periodic report does not include information that was reported at the previous certification and the household does not indicate a change has occurred (e.g., the household previously reported earnings from two sources and only reported income from one source on the current periodic report).

(3) If elements pertaining to one program's requirements are missing from the periodic report, the periodic report shall be considered incomplete for that program only.

.636 Verification is provided for gross nonexcluded earned income and nonexcluded unearned income for the Data Month when first reported and when there is a change in the amount of income received except as specified in Sections 63-504.325(a) and 63-505.69.

.637 Verification is provided for the source of all excluded income when first reported on the periodic report and any change in the source of the income.

~~.464 Section 63-505.4(MR) shall become inoperative and Section 63-505.4(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) Verification Responsibilities for Monthly Reporting Households~~

~~(QR) Verification Responsibilities for Quarterly Reporting Households~~

~~.41 Section 63-505.41(MR) shall become inoperative and Section 63-505.41(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) The CWD may request verification be submitted for any item that has changed or appears questionable. Monthly reporting households shall provide verification of the following information reported on the CA 7:~~

~~(QR) The CWD may request verification be submitted for any item that has changed or appears questionable. QR hHouseholds shall provide verification of the following information reported on the QR 7 periodic report:~~

~~(a).641 Gross nonexcluded earned income each month; nonexcluded unearned income and the source of excluded income when first reported and when there is a change, except as specified in Sections ~~63-505.311~~ 63-505.511 and 63-504.325(a).~~

~~(b).642 Dependent care costs when there is a change in the source or amount and when there is questionable information which is inaccurate, incomplete,~~

outdated or inconsistent.

~~(e).~~643 If the household voluntarily reports a change in its medical expenses, the CWD shall verify the change as specified in Section 63-504.421 before acting on it if the change increases the household's allotment. In the case of a reported change that decreases the household's allotment, or makes the household ineligible, the CWD shall act on the change without requiring verification, although verification which is required as specified in Section 63-504.421 shall be obtained prior to the household's recertification.

~~(d).~~644 Utility costs which entitle the household to the standard utility allowance (SUA), when first allowed and when the household moves.

~~(e).~~645 Residency as defined in Section 63-401 when there is a change, except for categorically eligible households.

~~(f).~~646 Social Security Number, except for PA categorically eligible households;

~~(g)~~ ~~Section 63-505.41(h)(MR) shall become inoperative and Section 63-505.41(h)(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)~~ ~~Actual cost of doing business expenses, if self-employed, with each CA-7.~~

~~(QR).~~647 Actual cost of doing business expenses, if self-employed, with each ~~QR-7~~ periodic report.

~~(h).~~648 Changes in the legal obligation to pay child support and/or an increase in the amount of the child support payments.

.65 Timely and Late Periodic Reports

.651 The periodic report is due by the 5th of the Submit Month and is considered timely if it is received by the 11th calendar day of the SAR Submit Month but not before the first calendar day of the SAR Submit Month.

.652 The periodic report is late if it is received after the 11th day of the SAR Submit Month.

.653 The household shall be terminated from receipt of CalFresh benefits if:

(a) There is no longer eligibility for CalFresh in the remainder of the certification period;

(b) A complete periodic report is not submitted by the extended filing date as

defined in Section 63-102(e)(5)(SAR);

- (c) There is failure to comply with a non-financial eligibility requirement, such as the work registration requirements; or
- (d) Termination of benefits is requested in writing.

.7 County Action on Periodic Report Not Received or is Incomplete

The CWD shall provide a notice of action to a SAR reporting household which fails to file a periodic report by the 11th day of the Submit Month or files an incomplete periodic report.

.71 The notice of action shall inform the household:

- .711 That the periodic report either is overdue or incomplete;
- .712 What the household must do to complete the periodic report;
- .713 If any verification is missing and the effect on the household's benefits level;
- .714 That the SSN of a new member must be reported;
- .715 What the extended filing date is; and
- .716 That the CWD will assist the household in completing the report.

- (a) If the household submits a periodic report by the date the CWD mails the notification of the missing periodic report, but fails to provide the required verification/information with the periodic report, the CWD shall notify the household of the need to submit the missing verification and/or information by the extended filing date as specified in Section 63-102(e)(5)(SAR).

The CWD shall not delay benefits if the missing verification/information is for a deduction. If the household fails to provide the missing verification and/or information, other than for income, by the extended filing date, the CWD shall not consider the periodic report incomplete. Any deductions for which the verification/information is missing shall be disallowed.

- (b) The household shall provide with the periodic report verification of the following items:
 - (1) When there is questionable information which is inaccurate, incomplete, outdated, or inconsistent:

- (2) If the household reports a change in its medical expenses and fails to verify the change, and that change would increase the household's allotment, the CWD shall not make the change. The CWD shall act on reported changes without requiring verification if the changes would decrease the households allotment or make the household ineligible, although verification which is required shall be obtained prior to the household's recertification.
 - (3) All expenses incurred in producing self-employment income, if the household has chosen to use actual monthly self-employment expenses;
 - (4) Residency as defined in Section 63-401 when there is a change;
 - (5) Social Security numbers or citizenship or non-citizen status for household members when there is a change.
 - (6) A change in the legal obligation to pay child support to a person not in the CalFresh household and/or an increase in the amount of child support payments.
- (c) The CWD may elect to require verification of housing costs when first allowed as a deduction and when there is an address change.
 - (d) If the household submits information and/or verification with the periodic report which the CWD determines to be questionable, the CWD shall notify the household as specified in Section 63-505.72. The household shall be allowed until the extended filing date to submit the necessary verification/clarification.
 - (e) The CWD shall contact the household as needed to obtain further information on specific items. These items include, but are not limited to:
 - (1) The effect of a reported change in resources on a household's total resources; and
 - (2) The effect of a reported change in household composition or loss of job or source of earned income on the applicability of the work registration or voluntary quit requirements.

.72 The CWD shall send the notice of action no later than 10 days before the end of the Submit Month and give the household until the extended filing date, as specified in Section 63-102(e)(5)(SAR), to file a complete periodic report. If a complete periodic report is received after the 11th of the Submit Month, but prior to the mailing of the

notice, the notice shall not be sent. If a household responds to the notice of action by submitting an incomplete periodic report, the CWD need not provide a second notice to the household.

.73 After notifying the household, the CWD shall allow the household until the extended filing date to file a complete periodic report.

.731 The household's participation shall be terminated effective the end of the Submit Month, if the household fails to file a complete periodic report by the extended filing date.

.732 If the household does not submit a complete periodic report by the extended filing date, the discontinuance remains in effect and the recipient must reapply for CalFresh benefits, unless good cause is established.

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United States Department of Agriculture, Food and Nutrition Service Waiver #2090046 allows CWDs to reinstate the eligibility of households that have recently become ineligible without requiring the household to submit a new application for benefits. Under the waiver, the household must take the necessary action (which may include providing information and/or verification) required to reestablish eligibility. The CWD may reinstate the household for the remaining months of the certification period; the overall length of the certification period remains unaffected. Benefits are prorated for the remainder of the certification period beginning on the date the household takes the required action to reestablish eligibility. The reason for case closure must be fully resolved prior to reestablishing eligibility.

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.74 Good Cause for Failure to Submit the Periodic Report

.741 If the household reapplies for benefits in the calendar month following discontinuance for failure to submit a periodic report, the CWD shall determine if the recipient had good cause for failure to submit a complete and timely periodic report for the previous quarter.

.742 Good cause must be determined using the criteria listed under Section 40-181.23(SAR) in the CalWORKs program.

.743 If the CWD determines that the household had good cause for failing to submit the periodic report by the extended filing date, the CWD shall rescind the discontinuance action and determine CalFresh eligibility and benefit amount based on the information on the periodic report. The recipient's SAR cycle remains unchanged.

.744 Once a full calendar month has passed since the periodic report

discontinuance date, the household may not claim good cause and must reapply for benefits.

.745 If information reported on the periodic report results in a decrease in benefits, the CWD must provide 10-day notice before taking action to decrease benefits.

(a) Once good cause has been determined and the discontinuance rescinded, benefits must be released to the household at the previous higher amount until a 10-day notice can be sent to the recipient.

(b) An overissuance will be established when benefits are released at a previous higher level as a result of the CWD's inability to decrease benefits without 10-day notice when the household fails to report the change in a timely manner.

(c) If the periodic report information results in an increase in benefits, and the CWD cannot increase benefits by the first month of the remainder of the certification period, a supplement shall be issued for that month and benefits increased for the remaining months of the certification period.

There is no opportunity for the recipient to claim good cause once a full calendar month has passed since the discontinuance date.

.75 Action shall be taken on the CalFresh case when the following mandatory CalWORKs changes are reported in the CalWORKs program:

.751 Disqualifying drug felony convictions as specified in MPP Section 63-402.229;

.752 Fleeing felon status;

.753 Violation of conditions of probation or parole;

.754 Income exceeds the one of the Income Reporting Thresholds (IRT) (see Handbook Section below).

.755 Changes in household composition or income that are considered verified upon receipt.

.756 Address changes.

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.757 There are three IRTs under SAR;

- a) an increase in income of 55% of the Federal Poverty Level for a CalWORKs family of three plus the amount of income last used to calculate benefits,
- b) the amount likely to render the assistance unit ineligible for CalWORKs (CalWORKs earned income limits).
- c) the amount likely to render the assistance unit ineligible for CalFresh benefits (130 percent of the FPL for the household size).

.758 The CWD is responsible for informing households of their individual IRT levels.

.759 The CWD is responsible for monitoring and acting on reported IRT changes.

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.76 Action on Mandatory Recipient Mid-Certification Period Reports

.761 Disqualifying Drug Felony Conviction, Fleeing Felon Status, Parole/Probation Violations

CalFresh recipients are not required to report a change in drug or fleeing felon status or probation/parole violations mid-period. If an individual in a NACF household had a change in drug or fleeing felon status or probation/parole violations during the certification period, it would be reported on the next periodic report or recertification and the CWD would discontinue the individual at the end of the report month after 10-day notice can be provided. However, for PACF households, if a change in drug or fleeing felon status or a parole/probation violation is reported and confirmed for the CalWORKs case, CWDs will be required to act on the reported information in the CalFresh case. The CWD must discontinue the individual from CalFresh at the same time as the CalWORKs action, at the end of the month after 10-day notice can be provided.

.5.77 Section ~~63-505.5(MR)~~ 63-505.77(QR) shall become inoperative and ~~63-505.5(QR)~~ 63-505.77(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ County's SAR Declaration.

~~(MR) Reporting Changes for Households Excluded from Monthly Reporting Requirements~~

(QR) Reporting Changes for Households Excluded from Quarterly Reporting Requirements

(SAR) Reporting Changes for Households Excluded from Semi-Annual Reporting Requirements

~~.51~~.771 Household Responsibility to Report

The CWD shall not impose any ~~food stamp~~ CalFresh reporting requirements on non-monthly reporting households except as provided in Sections ~~63-505.511~~ 63-505.711(a) through ~~.518~~ 63-505.711(h). Certified households shall report the following changes in circumstances:

- ~~.511~~ (a) Changes in the sources of income, including starting or stopping a job or changing jobs, if the change is accompanied by a change in income. In addition, changes in the amount of earned income of more than \$100 per month since the last time the household's allotment was calculated. Such earned income households can be certified for no more than six months.
- ~~.512~~ (b) Changes in the amount of unearned income of more than \$50.
 - ~~(a)~~ (1) Changes in the public assistance or the general assistance grant are not required to be reported. Since the CWD has prior knowledge of all changes in these grants, action shall be taken on the CWD information. However, if general assistance and food stamp cases are not jointly processed, the household is responsible for reporting changes of more than \$50.
 - ~~(b)~~ (2) Households are not required to report changes in income that result from Social Security COLAs.
- ~~.513~~ (c) All changes in household composition, such as the addition of loss of a household member;
- ~~.514~~ (d) Changes in residence and the resulting change in shelter expenses;
- ~~.515~~ (e) The acquisition of a licensed vehicle not fully excludable under Section 63-501.
- ~~.516~~ (f) When cash on hand, stocks, bonds and money in a checking or savings account reach or exceed the maximum resource eligibility standard as specified in Section 63-409.12.
- ~~.517~~ (g) A change in the amount of child support payments made to a nonhousehold member as specified in Section 63-502.2(p), and/or a change in the legal obligation to pay child support.
- ~~.518~~ (h) A reduction of work effort to less than 20 hours per week, or averaged monthly 80 hours a month, for purposes of determining whether an ABAWD has satisfied the work requirement specified in Section 63-410.2.

~~.52.78 Section 63-505.52(MR) shall become inoperative and Section 63-505.52(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) Timeliness Requirement for Reporting Changes of Nonmonthly Reporting Households~~

~~(QR) Timeliness Requirement for Reporting Changes of Change Reporting Households
(Continued)~~

~~.521.781~~ If the change in monthly medical costs is a one-time only decrease and will not continue in the remaining months of the certification period, no action is required.

~~.522.782~~ If the decrease in monthly medical costs is expected to continue past the month of report, the CWD shall act on the change, in accordance with Section 63-504.42.

.8 Voluntary Mid-Certification Reports

.81 Voluntary Mid-Certification Period Recipient Reports

Recipients may report mid-certification period changes in income and circumstances in writing, verbally or in person at any time during the certification period. The CWD shall take mid-certification period action on those voluntary reports that result in an increase to benefits except as provided in Section 63-505.817. Some mid-certification period reports that may increase benefits are, but not limited to, income decreases, someone moves into the home, and allowable deduction increases. Mid-certification period reports that may decrease benefits are, but not limited to, changes in income that are VUR and changes in household composition. The CWD shall document in the case file voluntarily reported changes that do not impact CalFresh benefits.

.811 Action to increase benefits shall be effective in the month the change actually occurs or is reported, whichever is later, and after all verification has been received.

(a) If the change occurred prior to the date of report, recalculate and increase benefits based on the date of report after verification is received.

(b) If the change will occur in a future month, recalculate and increase benefits based on the date the change is expected to occur after verification is received.

.812 Voluntarily reported changes may result in an increase in benefits for one

program (CalWORKs), while decreasing benefits for the other program (CF). Action shall be taken to increase benefits in the one program, while not decreasing the other program's benefits.

.813 Verification shall be requested immediately from the recipient when there is a decrease in income or a new household member is reported in the household, or for other changes that would require verification when benefits are increased. Action to increase benefits shall not take place until verification is received. The recipient shall be allowed 10 days to provide the requested verification.

.814 The effective date for increases in benefits is determined differently for increases due to decreased income than for increases due to adding household members. Those effective dates are as follows:

(a) Increases due to decreased income are effective the first of the month in which the change is reported or the month the change occurred, whichever is later. Action to increase benefits shall not take place until verification is received.

(b) Increases due to the addition of new household members are effective the first of the month following the report of the change.

.815 When a household includes two members with income and one member experiences a decrease in income, only the decreased income of the one member is used to recalculate benefits.

.816 If there are different sources of income received by the household and a decrease is reported for one of the sources, the CWD shall recalculate benefits using only the income from the decreased source. The recalculated income shall be added to the existing household's income.

.817 A "No Change NOA" shall be sent to the recipient when benefits cannot be increased. The "No Change NOA" must be sent within 30 days of the reported change. The NOA must remind the recipient to re-report the change on the periodic report.

(a) If information on the periodic report is inconsistent with what was previously voluntarily reported mid-certification period, action shall be taken to resolve the discrepancy and to determine the actual current household circumstances.

(b) The discrepancy should first be attempted to be resolved by contacting the recipient. If this contact is not possible, the periodic report shall be considered incomplete.

- (c) If a CF household voluntarily reports income over 130 percent of the Federal Poverty Level, the household shall be discontinued mid-certification period.

.82 Action on Voluntary Mid-Certification Period Recipient Reports

To determine if the voluntary reported change results in increased benefits mid-certification period, a recalculation of benefits for the current and remaining months of the certification period using the new income that the household reasonably expects to receive is required.

.821 When the CalWORKs grant is supplemented, the new CalWORKs grant amount to be used in the CF budget will include the original CalWORKs grant, as well as the additional CalWORKs supplement.

.822 If decreased income is reported for the first time on the periodic report rather than as a mid-certification period voluntary report, the CWD shall treat the report of decreased income as a voluntary mid-certification period report in order to determine if a supplement should be issued in the Submit Month.

.823 If a recipient has reported a voluntary mid-certification period decrease in income or increase in expenses, and the CWD has taken appropriate action to increase the cash aid and/or CalFresh benefits, the CWD shall not take action to adjust benefits again if the recipient reports the same change later in the certification period.

.824 In any instance where two or more changes are reported to the CWD at the same time, the CWD must evaluate each change separately and according to the sequence of occurrence, the timing of when benefits can be increased or decreased based on the reported.

.83 Household Composition Changes Reported Outside of the Periodic Report or Recertification.

Recipients may voluntarily report changes in household composition at any time during the certification period. Action should only be taken on those changes that result in an increase to the household's benefits; unless the head of household or another responsible adult in the household reports that a household member has left. In that case, the information is considered VUR and must be acted upon.

If the change results in increased benefits, action shall be taken to add the person effective the first of the month following the month in which the change was reported, after all verification has been provided. If the change results in decreased benefits, and the information is considered VUR, the household's benefits will be decreased effective the first day of the month following timely and adequate notice.

.831 When a new person is reported in the home:

- (a) The CWD must determine if the new person is a mandatory household member in accordance with CalFresh regulations.
- (b) If the new person should be included in the household, determine if the household meets all non-financial eligibility criteria.
- (c) If the household meets all non-financial eligibility criteria with the addition of the new person, continue to determine if the new person has income that should be included in the benefit calculation.
- (d) If the new member has no income,
 - (1) If all eligibility factors are satisfied and all verification is received within 10 days of the CWD requesting verification, add the new household member to the household effective the first of the month following the month in which the change was reported. A NOA shall be sent informing the household of the change.
 - (2) If the verification is received after 10 days of the CWD request for the verification, the date the verification is provided is considered the new report date and the new member shall be added effective the first of the month following the month in which the verification is received. A NOA shall be sent informing the household of the change.
 - (3) If the verification is not provided, the CWD shall send the household a “No Change NOA” reminding them to report and provide the needed verification regarding the new household member on the next periodic report or at recertification.
- (e) If the new member has income that does not exceed the household’s IRT (130% of FPL for the household size before the new member is added).
 - (1) If all eligibility factors are satisfied and all verification is received within 10 days of the CWD requesting verification or is considered VUR, add the new household member and their income effective the first of the month following the month in which the change was reported.
 - (A) If adding the new member results in an increase in

benefits, a NOA shall be sent to the household.

(B) If adding the new member results in a decrease in benefits, a timely and adequate NOA shall be sent to the household 10 days prior to the effective date of the action.

(2) If the verification is received after 10 days of the CWD request for the verification, the date the verification is provided is considered the new report date and the new member shall be added effective the first of the month following the month in which the verification is received.

(A) If adding the new member results in an increase in benefits, a NOA shall be sent to the household.

(B) If adding the new member results in a decrease in benefits, a timely and adequate NOA shall be sent to the household 10 days prior to the effective date of the action.

(3) If the verification is not provided, the CWD shall send the household a No Change NOA reminding them to report and provide the needed verification regarding the new household member on the next periodic report or at recertification.

(f) If the amount of the new member's income is not certain or exceeds the household's IRT (130% of FPL for the household size before the new member is added) the CWD shall send a Request for Contact (RFC) to the household requesting mandatory verification to establish the new member's eligibility and income.

(1) If all eligibility factors are satisfied and all verification is received within 10 days of the CWD requesting verification or is considered VUR, add the new household member and their income effective the first of the month following the month in which the change was reported.

(A) If adding the new member results in an increase in benefits, a NOA shall be sent to the household.

(B) If adding the new member results in a decrease

in benefits or discontinuance, a timely and adequate NOA shall be sent to the household 10 days prior to the effective date of the action.

(2) If the verification is not provided, the CWD shall discontinue the household's benefits for not responding to the RFC and provide a timely notice of discontinuance.

.84 Voluntary Recipient Request for Discontinuance of Benefits

Benefit adjustments shall be made mid-certification period when a recipient requests a discontinuance of benefits. A recipient may voluntarily request mid-certification period that the entire household be discontinued; or for any individual member of the household who is no longer in the household. A voluntary report of household composition change by the head of household or other responsible adult household member is considered VUR and must be acted on. A verbal request shall require that a 10-day notice be sent before discontinuance or a decrease in benefits can be made at the end of the month. A written request shall require that an adequate notice be sent at the end of the month.

.9 County-Initiated Mid-Certification Period Actions

In addition to making mid-certification period adjustments to benefits as a result of mandatory and voluntary recipient reports mid-certification period, action shall also be taken on certain changes in eligibility status at the end of the month in which timely and adequate notice can be provided to the household.

.91 Changes Resulting in County-Initiated Actions Mid-Certification Period

The changes that are considered county-initiated and that can occur at any time during the certification period:

- .a Sanctions or financial penalties;
- .b Failure of the household to comply with a Quality Control Review;
- .c Benefits are applied for and approved for a household member in another household or for the household;
- .d Discontinuances due to the termination of a CalWORKs inter-county transfer as described in Section 63-503.7;
- .e Status changes in the California Food Assistance Program (CFAP);
- .f Cost-of-Living adjustments (COLAs) for CalFresh, CalWORKs, General

Assistance and for those COLAs administered by the Social Security Administration.

- .g Adjustments due to erroneous or incomplete recipient periodic reports or mid-certification period reports of information or lack of action by the county on the periodic report or mid-certification period recipient reports;
- .h The three-month time limit for an ABAWD ends or an ABAWD who has regained eligibility and subsequently stops meeting the work requirements;
- .i Discontinuance due to an ineligibility determination when recertification falls outside the Submit Month;
- .j The CWD discovers that Transitional CF recipients have moved out-of-state and are receiving public benefits (TANF and/or SNAP) in another state;
- .k A member of the household receives SSI/SSP benefits.

.92 Known to County Information

.921 Use of Known to County Information

Information that is "known to county" and is considered information that is subject to mandatory reporting shall be used to:

- (a) Calculate an OI when the information received is obtained after benefits have been issued, such as in the case of Income and Eligibility Systems (IEVS) matches; and
- (b) Take prospective action to change benefits mid-certification period or at the beginning of a certification period if information reported by the recipient does not accurately reflect a mandatory mid-certification period report of information or information reported on the periodic report.

.922 CWD Action on Public Assistance (PA) Changes Known to CWD

- (a) Changes to PA benefits shall be considered information that is known to county.
- (b) All changes to PA benefits shall be reviewed by the CWD for possible benefit increases or decreases by calculating a new budget.
- (c) CalFresh benefits shall be increased or decreased if the calculation indicates such a change.

.923 CWDs shall not act on information “known to county” that is not required to be reported, even if benefits could be increased mid-certification period based on the given information. The recipient must report a change before benefits will be increased.

.93 CWD Action on Information Obtained from Match Systems

.931 The CWD shall consider information received from match systems such as the Income and Eligibility Verification System (IEVS), the Payment Verification System (PVS), and other such sources for purposes such as:

- (a) To determine if information reported on the periodic report is accurate;
- (b) To determine if a fraud referral or an overissuance claim/adjustment is necessary;
- (c) To determine if clarification of current eligibility is necessary.

.94 Resolving Conflicting Information Based on Third-Party/Information Reported to County

The recipient shall be contacted and informed that eligibility information is in question. The recipient shall be given the opportunity to verify the correct circumstances before action is taken to reduce/correct benefits. No case action shall be taken mid-certification period based on third party information regarding changes that the household is not required to report during the certification period.

.95 Treatment of Multiple Changes Within A Certification Period

Multiple changes during a certification period shall be acted upon in accordance with SAR rules for mandatory and voluntary recipient’s reports, and on county-initiated and third-party reports. Each change shall be acted upon separately, using the rule that is unique to that type of change. Circumstances shall not be combined to effect a change in benefits.

A household may voluntarily report a change that does not result in an increase to benefits, and later in the certification period, report another change that was required to be reported, which would result in a decrease to benefits. A change shall not be made to benefits based on the voluntary report, unless it is considered VUR.

.96 Rescissions and Reapplications Under SAR

.961 When a household has been sent a discontinuance, denial, or notice of pending status and the effective date of the discontinuance or denial is pending and the circumstances that made the household ineligible have changed, benefits shall be approved or reinstated and the discontinuance or denial rescinded.

.962 When an application has been denied or the case discontinued, the household must reapply for benefits and be treated as a new applicant. Benefits shall be prorated from the new application date.

.6.10 Other Changes

Although not required, households are to be encouraged to report the following changes since such changes may entitle the household to an increased food stamp allotment.

- ~~.61.101~~ A household member reaches age 60, or becomes disabled, as defined in Section 63-102(i).
- ~~.62.102~~ The household incurs a dependent care cost, or an increased dependent care cost (within the maximum).
- ~~.63.103~~ A change in status of citizenship or work registration.
- ~~.64.104~~ The household incurs a new medical expense, or an increased medical expense of more than \$25.

Authority cited: Sections 10553, 10554, 10604, 11265.1, .2 and .3, 11369, 18900.1, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 10830, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code; 7 CFR 272.4(f); 7 CFR 273.2(j)(3) and (4); 7 CFR 273.10(d)(4); 7 CFR 273.11(a)(2)(iii); 7 CFR 273.12, (a)(1)(i), (a)(1)(ii), (a)(1)(i)(A), (a)(1)(i)(B), (a)(1)(i)(C)(2), and proposed .12(a)(1)(vi) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.2(d); proposed 7 CFR 273.2(f)(1)(xii) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994; 7 CFR 273.20; 7 CFR 273.21(b), (b)(4), (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), and (i); 7 CFR 273.12(a)(1)(vii), (a)(5), (a)(5)(iii)(A), (C) and (E), (a)(5)(v), (vi) and (vi)(B)(2); 7 CFR 273.24(a)(1)(i) and (b)(7); P.L. 100-435, Section 351; P.L. 101-624, Section 1717 [7 U.S.C. 2014(e)] and Section 1723 [7 U.S.C. 2015(c)(1)(A)]; P.L. 102-237, Section 908 [7 U.S.C. 2016(h)(1)]; 7 U.S.C. 2014(d)(6) and (e)(6)(C)(iii); Food and Consumer Services Administrative Notice 96-13, dated December 7, 1995; United States Department of Agriculture, Food and Nutrition Services Waiver# 2090046, dated February 8, 2013; United State Department of Agriculture, Office of Inspector General Audit, Number 27002-0011-13, dated September 28, 2012; United States Department of Agriculture, Food and Nutrition Service Administrative Notice 03-23, dated May 1, 2003; Letter from Food and Consumer Services to Fred Schack, dated March 25, 1996; Food Stamp Act of 1977; FY 2012

Integrity Conferences and State Visits Questions and Answers (no date provided); Federal Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; and the Farm Security and Rural Investment Act of 2002 (P.L. 107-171).

Amend Section 63-601 to read:

63-601 COUNTY WELFARE DEPARTMENT RESPONSIBILITIES

63-601

.1 (Continued)

- ~~.12 The CWD shall be required to obtain fingerprint images and a photo image of each eligible household member using SFIS equipment, as specified in Section 63-505.14, unless that member meets one or more of the following exemptions.~~
 - ~~.121 A household member who has no fingers shall be exempt from the fingerprint image portion of the SFIS process. However, they are still required to participate in the photo image portion of the SFIS process.~~
 - ~~.122 A household member who has a medically verified physical condition which renders them unable to comply with SFIS requirements.~~
 - ~~.123 A household member who is under the age of 18, unless she/he is applying for Food Stamps as his/her own household, as specified in Section 63-505.141.~~
 - ~~.124 Renumbered to Section 63-300.451.~~
- ~~.13 The CWD shall determine on a case-by-case basis when a household member will receive a postponement from the SFIS process. The conditions for a postponement include but are not limited to:~~
 - ~~.131 A temporary medical condition that prevents a household member from complying with SFIS requirements for up to 60 days, for example hands that are bandaged due to burns.~~
 - ~~.132 A household member is a resident of a drug or alcohol treatment and rehabilitation center who is unable to leave that center for physical, mental, or legal reasons. When the resident is unable to comply with SFIS, his/her authorized representative will be required to comply on their behalf. However, that household member will be required to comply with SFIS upon a change in their status within the center which would allow them to come to the CWD, or if they are in the CWD office for another reason.~~
 - ~~.133 A household member who is required to participate in the SFIS process and attempts to do so, but is unable to, due to an SFIS equipment problem. The household member shall temporarily receive benefits, and shall be informed that she/he must fulfill the requirements within 60 calendar days.~~
 - ~~.134 The household is entitled to expedited service, and the SFIS is incapable of completing the SFIS process in time for the household to participate, as specified in Section 63-301.5. SFIS compliance should occur prior to the~~

issuance of the household's next allotment.

~~.14~~ Authorized representatives are not required to comply with SFIS requirements, unless no household member in the household which they represent is required or able to comply with SFIS requirements, or as required at Section 63-601.132.

~~.15~~12 Issuance and Accountability Systems

The CWD shall establish an issuance and accountability system which will ensure that:

~~.151~~121 Only certified eligible households receive benefits;

~~.152~~122 CalFresh Program benefits are timely distributed in the correct amounts;

~~.153~~123 Coupons are accepted, stored and protected with due security after delivery to receiving points within the county; and

~~.154~~124 Coupon issuance and reconciliation activities are properly conducted and accurately reported to FNS.

Authority cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 272.4(f); 7 CFR 274.1; 7 CFR 274.2; 7 CFR 274.7; Food and Consumer Services Administrative Notice 96-13, dated December 7, 1995; and Sections 10554 and 18904, Welfare and Institutions Code.

Amend Section 63-602 to read:

63-602 ISSUANCE SYSTEMS
(Continued)

63-602

Authority cited: Sections 10554 and 18904, Welfare and Institutions Code.

Reference: 7 CFR 272.4(f); 7 CFR 274.2; 7 CFR 274.3; 7 CFR 274.10; Food and Consumer Services Administrative Notice 96-13, dated December 7, 1995; and Sections 10554, ~~10830~~, and 18904, Welfare and Institutions Code.

Amend Section 63-801 to read:

63-801 CLAIMS AGAINST HOUSEHOLDS
(Continued)

63-801

.3 (Continued)

.31 (Continued)

.311 (Continued)

(c) (Continued)

(2) Section 63-801.311(c)(2)~~(MR)~~(QR) shall become inoperative and Section 63-801.311(c)(2)~~(QR)~~(SAR) shall become operative in a county on the date ~~QR/PB~~ SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ SAR Declaration.

~~(MR)~~ For monthly reporting households, a claim shall be established when the household fails to report a change on the CA 7 by the extended filing date for the appropriate report month. For nonmonthly reporting households, a claim shall be established if the household fails to report a change within 10 days of the date the change became known.

(QR) For QR households, a claim shall be established when the household fails to report a change on the QR 7 for the appropriate Data Month and the QR Payment quarter was incorrectly computed based on failure of the recipient to report a change or a timely QR 7 was not submitted (see Handbook). For change reporting households, a claim shall be established if the household fails to report a change within 10 days of the date the change became known.

(SAR) For SAR households, a claim shall be established when the household fails to report a change on the periodic report for the appropriate Data Month and the SAR Payment Period was incorrectly computed based on failure of the recipient to report a change or a timely periodic report was not submitted (see Handbook). For change reporting households, a claim shall be established if the household fails to report a change within 10 days of the date the change became known.

HANDBOOK BEGINS HERE

(QR) (A)

Example: A QR 7 is not received timely and a 10-day notice cannot be sent to the recipient to reduce benefits beginning with the next QR Payment quarter: In the January/February/March quarter, a recipient submits the QR 7 on March 28, after the deadline for timely submission. After redetermining benefits based on information reported on the QR 7, the CWD determines that the April/May/June benefits should be reduced due to income reported on the QR 7. The QR 7 was submitted too late in the month for the CWD to provide 10-day notice and decrease benefits for April. The CWD issues a 10-day notice of decrease effective for May; pays benefits at the March level in April, and adjusts benefits to the correct amount for May and June. The difference between the May/June benefit amount and the April benefit amount is an O/I.

(SAR) (A)

Example: A periodic report is not received timely and a 10-day notice cannot be sent to the recipient to reduce benefits beginning with the next SAR Payment Period: In the January to June Payment Period, a recipient submits the periodic report on June 28, after the deadline for timely submission. After redetermining benefits based on information reported on the periodic report, the CWD determines that the July to December benefits should be reduced due to income reported on the periodic report. The periodic report was submitted too late in the month for the CWD to provide 10-day notice and decreased benefits for July. The CWD issues a 10-day notice of decrease effective for August; pays benefits at the June level in July, and adjusts benefits to the correct amount for August to December. The difference between the July benefit amount and the August to December benefit amount is an O/I.

HANDBOOK ENDS HERE

(3) (Continued)

.73 (Continued)

~~(QR)~~ .737 Recoupment by Allotment Adjustment for ~~QR~~ Households

(a) Section 63-801.737(a)(QR) shall become inoperative and Section 63-801.737(a)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the Director's SAR Declaration.

(QR) ~~(a)~~ O/I allotment adjustment shall only be initiated at the beginning of a quarter. However, an allotment adjustment shall be discontinued mid-quarter as appropriate when the O/I has been recouped.

(SAR) O/I allotment adjustment shall only be initiated at the beginning of a SAR Payment Period. However, an allotment adjustment shall be discontinued mid-payment period as appropriate when the O/I has been recouped.

(b) Section 63-801.737(b)(QR) shall become inoperative and Section 63-801.737(b)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the Director's SAR Declaration.

(QR) ~~(b)~~ When the CWD completes re-coupment of one O/I mid-quarter, the CWD may begin recoupment of the next O/I in mid-quarter as long as the amount being adjusted does not result in the benefits being decreased mid-quarter.

(SAR) When the CWD completes re-coupment of one O/I mid-period, the CWD may begin recoupment of the next O/I in mid-period as long as the amount being adjusted does not result in the benefits being decreased mid-period.

HANDBOOK BEGINS HERE

(c) Section 63-801.737(c)(QR) shall become inoperative and Section 63-801.737(c)(SAR) shall become operative in a county on the date SAR becomes effective in that county, pursuant to the Director's SAR Declaration.

The following examples provide some guidance in the determination of O/Is ~~in QR~~.

(QR) Late Mandatory Mid-Quarter Reporting: The recipient is in the April/May/June quarter. The mother is in a Public Assistance Food Stamp household of three and is convicted of a disqualifying drug felony on April 25 and reports the conviction on April 26. The report is considered timely, because it was made within 10 days. The CWD is unable to decrease benefits for May to reflect discontinuance of the ineligible household member, because there is insufficient time to provide 10-day notice. Benefits must be issued for May in the same amount that was issued in April, and the CWD must take action to decrease benefits effective June 1. The CWD shall not establish an O/I for the May allotment, because the recipient reported the change timely.

NOTE: For NAFS households, this is not a mandatory mid-quarter

report. The county shall act to discontinue the mother upon timely and adequate notice based on the subsequent QR 7.

Late QR 7: In the July/August/September quarter, a recipient turns in her QR 7 on September 25. She reports starting a new job in August and indicates that she will receive \$1,000 earnings each month. The CWD is unable to reduce cash aid and food stamp benefits for the October/November/December quarter effective October 1 due to inability to provide 10-day notice of the decrease resulting from increased income. The CWD is required to make the change effective November 1, and shall establish an O/I for food stamp benefits that were issued in error for October.

(SAR)

Late Mandatory Mid-Period Reporting: The recipient is in the July to December Payment Period. The mother is in a Public Assistance CalFresh household of three and is convicted of a disqualifying drug felony on October 25 and reports the conviction on October 27. The report is considered timely, because it was made within 10 days. The CWD is unable to decrease benefits for November to reflect discontinuance of the ineligible household member, because there is insufficient time to provide 10-day notice. Benefits must be issued for November in the same amount that was issued in October, and the CWD must take action to decrease benefits effective December 1. The CWD shall not establish an O/I for the November allotment, because the recipient reported the change timely.

NOTE: For NACF households, this is not a mandatory mid-period report. The county shall act to discontinue the mother upon timely and adequate notice based on the subsequent periodic report.

Late Periodic Report: In the July to December Payment Period, a recipient turns in her periodic report on December 27. She reports starting a new job in January of the upcoming year and indicates that she will receive \$1,000 earnings each month. The CWD is unable to reduce cash aid and CalFresh benefits for the January to June Payment Period effective January 1 due to inability to provide 10-day notice of the decrease resulting from increased income. The CWD is required to make the change effective February 1, and shall establish an O/I for CalFresh benefits that were issued in error for January.

Failure to Report Income: Looking back at the Payment Period designated as January to June, the CWD determines through an IEVS match that a CalWORKs AU and CalFresh household had income that exceeded the IRT on May 7. The household is still receiving the same level of income in the current June to December Payment Period and has never reported the income as a mid-period report. The CWD

determines that the household should have reported this change by May 17, and should have been discontinued due to ineligibility effective June 1. An O/I would be established beginning June 1.

CWD Failure to Act: The household reports on the periodic report submitted June 5 that the father started a job on May 25. The income is expected to continue at the same level in the next SAR Payment Period. The CWD failed to use the newly reported income to determine benefits for the July to December Payment Period. If using the income to compute the CalFresh benefits should have resulted in a lower grant and allotment to the household, the CWD must establish an O/I for the amount the household was not entitled to receive beginning July 1.

HANDBOOK ENDS HERE

Authority cited: Sections 10554, 11265.1, .2 and .3, 18901.3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18901.3, 18904, and 18910, Welfare and Institutions Code; 7 CFR 271.2; 7 CFR 273.18, 7 CFR 273.18(a), (a)(1)(ii), and (a)(2); 7 CFR 273.18(b)(3); 7 CFR 273.18(c)(1)(i), (c)(1)(ii), (ii)(b), and (c)(2)(ii) (Federal Register, Vol. 58, No. 209, pp. 58454 and 58455, dated November 1, 1993); 7 CFR 273.18(d)(4)(iii); 7 CFR 273.18(e)(1); 7 CFR 273.18(e)(3)(iv); 7 CFR 273.18(e)(3)(v); 7 CFR 273.18(e)(5)(v); 7 CFR 273.18(e)(6)(ii); 7 CFR 273.18(e)(7)(i); 7 CFR 273.18(f); 7 CFR 273.18(g)(4)(ii); 7 CFR 273.18(g)(6); 7 CFR 273.18(g)(8); 7 CFR 273.18(g)(9); 7 CFR 273.18(h)(4); 7 CFR 273.18(i); 7 CFR 273.18(k)(5); 7 CFR 273.18(n)(1)(i); 7 U.S.C. 2022(a)(1); U.S.D.A., Food and Nutrition Service letter WFS-100:FS-10-6-CA, dated October 7, 1991; Assembly Bill 6, (Chapter 501, Statutes of 2011); Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003; P.L. 104-193, Sections 809 and 844 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996) and Lomeli v. Saenz, Sacramento Superior Court, Case #98CS01747.

Amend Section 63-804 to read:

63-804 STATE HEARINGS
(Continued)

63-804

.6 (Continued)

.62 (Continued)

.623 Section 63-804.623~~(MR)~~(QR) shall become inoperative and Section 63-804.623~~(QR)~~(SAR) shall become effective in that county on the date SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ SAR Declaration.

~~(MR) A household provided a notice of action informing the household of a proposed change in benefits or of a termination of benefits for the nonsubmittal of a complete CA 7, shall file its request prior to the effective date of the termination of its benefits.~~

(QR) A household provided a notice of action informing the household of a proposed change in benefits or of a termination of benefits for the nonsubmittal of a complete QR 7, shall file its request prior to the effective date of the termination of its benefits.

(SAR) A household provided a notice of action informing the household of a proposed change in benefits or of a termination of benefits for the nonsubmittal of a complete periodic report, shall file its request prior to the effective date of the termination of its benefits.

.64 (Continued)

.641 Section 63-804.641~~(MR)~~(QR) shall become inoperative and Section 63-804.641~~(QR)~~(SAR) shall become effective in that county on the date SAR becomes effective in that county, pursuant to the Director's ~~QR/PB~~ SAR Declaration.

~~(MR) Any monthly reporting household whose benefits have been continued shall continue to file CA 7s until the end of its certification period.~~

(QR) Any QR household whose benefits have been continued shall continue to file QR 7s until the end of its certification period.

(SAR) Any SAR household whose benefits have been continued shall continue to file periodic reports until the end of its certification period.

.642 (Continued)

- (e) Section 63-804.642(e)~~(MR)~~(QR) shall become inoperative and Section 63-804.642(e)~~(QR)~~(SAR) shall become effective in that county on the date SAR becomes effective in that county, pursuant to the Director's QR/PB SAR Declaration.
- ~~(MR)~~ A monthly reporting household fails to provide required verification of items on the CA 7 resulting in a reduction or termination of benefits, unless this is the issue being contested, and the household fails to file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing the household of a proposed change in benefits or of a termination of benefits for the nonsubmittal of a complete CA 7.
- (QR) A QR household fails to provide required verification of items on the QR 7 resulting in a reduction or termination of benefits, unless this is the issue being contested, and the household fails to file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing the household of a proposed change in benefits or of a termination of benefits for the nonsubmittal of a complete QR 7.
- (SAR) A SAR household fails to provide required verification of items on the periodic report resulting in a reduction or termination of benefits, unless this is the issue being contested, and the household fails to file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing the household of a proposed change in benefits or of a termination of benefits for the nonsubmittal of a complete periodic report.
- (f) Section 63-804.642(f)~~(MR)~~(QR) shall become inoperative and Section 63-804.642(f)~~(QR)~~(SAR) shall become effective in that county on the date SAR becomes effective in that county, pursuant to the Director's QR/PB SAR Declaration.
- ~~(MR)~~ A monthly reporting household fails to file a CA 7 or fails to file a complete CA 7 by the extended filing date, resulting in a termination of benefits. The household does not file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing them of a termination of benefits for the nonsubmittal of a complete CA 7.
- (QR) A QR household fails to file a QR 7 or fails to file a complete QR 7 by the extended filing date, resulting in a termination of benefits. The household does not file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing

them of a termination of benefits for the nonsubmittal of a complete QR 7.

(SAR) A SAR household fails to file a periodic report or fails to file a complete periodic report by the extended filing date, resulting in a termination of benefits. The household does not file a request for a hearing and continuation of benefits after receiving the corresponding notice of action informing them of a termination of benefits for the nonsubmittal of a complete periodic report.

Authority cited: Sections 10554, 11265.1, .2 and .3, 18904, and 18910, Welfare and Institutions Code.

Reference: Sections 10554, 11265.1, .2, and .3, 18904, and 18910, Welfare and Institutions Code; and 7 CFR 271.2; 7 CFR 273.18(e)(6); Assembly Bill 6, (Chapter 501, Statutes of 2011); and Food and Nutrition Service Quarterly Reporting/Prospective Budgeting waiver approval dated April 1, 2003.