

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



June 27, 2001

Regulation Package 0301-03

CDSS MANUAL LETTER NO. FS-01-02

TO: HOLDERS OF THE FOOD STAMP MANUAL, DIVISION 63

Regulation Package #0301-03**Effective 6/1/01****Sections 63-102, 63-300, 63-301, 63-402, 63-405, 63-501, 63-502, 63-503, 63-504, and 63-507**

On November 21, 2000, the United States Department of Agriculture issued a final rule amending Food Stamp Program regulations to implement several provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and subsequent amendments to those provisions made by Public Laws 104-208, 105-33, and 105-185 and to make other final provisions. The federal regulations became effective on January 20, 2001. These regulations strengthen application processing and recipient protection provisions of the current regulations; make two key changes in program policy, and gives states new tools to enable them to better serve working families with changing circumstances. Additional changes affect sponsorship and deeming requirements for noncitizens sponsored by individuals into the United States.

Another more significant change addresses vehicle valuation rules. Vehicles having a value of \$1,500 or less are now exempt from consideration as a resource. This allows a household to remain eligible for benefits, where prior to this change, vehicles in this category could easily put the household over the resource limit. Discontinuance from the program for excess resources due to vehicles will be decreased and more families will remain eligible for benefits.

These regulations also include various changes to the provisions regarding sponsored noncitizens, that require a change from three-year sponsorship requirement to a lifetime sponsorship requirement. Sponsorship rules have changed to exclude indigent and battered sponsored noncitizens from income-deeming provisions.

These regulations were adopted on an emergency basis effective June 1, 2001 and will be considered at the Department's public hearing held on July 18, 2001.

FILING INSTRUCTIONS

Revisions to all manuals will now be shown in graphic screen. The attached pages are to be entered in your copy of the Manual of Policies and Procedures. The latest prior manual letter containing Food Stamp manual changes was FS-01-01.

<u>Page(s)</u>	<u>Replace(s)</u>
49 through 69	Pages 49 through 69
99 and 100	Pages 99 and 100
103 through 108	Pages 103 through 108
111 and 112	Pages 111 and 112
124	Page 124
144 through 148.1	Pages 144 through 148.1
162 through 164	Pages 162 through 164
167 and 167.1	Pages 167 and 167.1
172 through 174.3	Pages 172 through 174.3
174.6 through 175	Pages 174.6 through 175
212 through 220	Pages 212 through 220
223 through 232	Pages 223 through 232
236 through 238	Pages 236 through 238
243 and 244	Pages 243 and 244
250	Page 250
253 and 254	Pages 253 and 254
262.1 and 262.2	Pages 262.1 and 262.2
279 and 280	Pages 279 and 280
284 and 285	Pages 284 and 285
288 through 293.1	Pages 288 through 293
310 through 320	Pages 310 through 320
360 through 365	Pages 360 through 365
370	Page 370
376.5 and 376.6	Pages 376.5 and 376.6
376.9 and 376.10	Pages 376.9 and 376.10

Attachment

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FOOD STAMP REGULATIONS		
Regulations	GENERAL PROVISIONS	63-101
63-100	GENERAL PROVISIONS	63-100
63-101	GENERAL PURPOSE AND SCOPE	63-101

.1 Purpose of the Food Stamp Program

The Food Stamp Program is designed to promote the general welfare and to safeguard the health and well-being of the nation's population by raising the levels of nutrition among low-income households. Section 2 of the Food Stamp Act of 1977 states, in part:

Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the nation's agricultural abundance and will strengthen the nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a Food Stamp Program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation.

HANDBOOK BEGINS HERE

.2 Scope of the Regulations

Chapter 100 contains general information, definitions, and other material applicable to Food Stamp Program operations. Chapter 200 sets administration of the Program. Chapter 300 describes the application processing requirements and standards. Chapters 400 and 500 describe the eligibility standards and criteria to be applied by CWD in certifying applicant households. Chapter 600 sets forth requirements and procedures for food coupon issuance, use, replacement, and close-out activities. Chapter 700 provides procedures for coupon ordering and CWD responsibilities in maintaining coupon accountability. Chapter 800 describes the corrective actions for under/overissuances, wrongful denials or terminations, recipient fraud, etc. Chapter 900 explains procedures for issuing emergency coupon allotments to certain victims of disasters unable to purchase adequate amounts of food. Chapter 1000 sets forth the state/county coordinated Outreach Program responsibilities. Chapter 1100 contains all the federal and state forms that are required in the administration of the Food Stamp Program.

HANDBOOK ENDS HERE

63-102	DEFINITIONS	63-102
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- (a) (1) "Access device" means the device which may be used to access the master issuance or record-for-issuance file in an automated direct access system. A plastic card with a magnetic strip is a type of access device.
- (2) Administrative Disqualification Hearing Waiver means the DPA 479 Rev. 8/95.
- (3) "Aid to Families with Dependent Children (AFDC)" means the financial aid program for needy children who lack parental support and care. This term refers to the program in general, regardless of the source of funding.
- (A) Federally-funded AFDC is authorized under Title-IV of the Social Security Act of 1935, as amended. Households entitled to federal AFDC must meet federal eligibility requirements.
- (B) State-only AFDC is the state and county-funded AFDC program for otherwise eligible persons who do not meet specific federal eligibility requirements.
- (4) "Allotment" means the total value of coupons a household is authorized to receive during each calendar month of certification.
- (5) "Annual Review Period" means the 12-month period from October 1 of each calendar year through September 30 of the following calendar year.
- (6) "Application" means:
- (A) The forms which are completed by a household member or authorized representative when applying for Food Stamps; or
- (B) The forms used to apply for AFDC by households in which all members apply for or receive Public Assistance, including any necessary Food Stamp Program attachments approved by FNS.
- (7) "Authorization document" means an intermediary document issued by the CWD and used to authorize a specific benefit amount for a household. An "Authorization to Participate card (ATP)" is a type of authorization document.

63-102	DEFINITIONS (Continued)	63-102
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- (b) (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) A "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.
- (c) (1) "Calendar month" means a period running from the first of the month through the end of the month.
- (2) "California Food Assistance Program (CFAP)" means the state program that provides Food Stamp Program benefits to noncitizens who were legally present in the United States prior to August 22, 1996, and have been determined ineligible for federal Food Stamp Program benefits due solely to their immigration status, as detailed in Section 63-405. The establishment of legal presence can be verified through INS at application. CFAP also provides Food Stamp Program benefits to certain noncitizens who are eligible for CFAP if they entered the U.S. on or after August 22, 1996 as specified in Section 63-403.1.
- (3) "Categorical Eligibility" means being considered eligible for food stamps, as specified in Sections 63-301.6, .7 and .8, because of the household's eligibility for public assistance (PA) or general assistance (GA).
- (4) "Child/spousal support disregard payment" means those payments received from an absent parent, and issued to recipients of Aid to Families with Dependent Children (AFDC) in accordance with federal law, PL 98-369, Section 2640, of the Deficit Reduction Act (DEFRA). These payments are disregarded as income for the AFDC program, but shall be considered income for the Food Stamp Program.
- (5) "Claims collection point" means an entity responsible for the collection of claims.
- (6) "Combined Households" means those households which contain participants of the federal Food Stamp Program and CFAP.

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

- (7) "Commercial boarding house" means an establishment licensed as an enterprise which offers meals and lodging for compensation and profit. In a county without licensing requirements, a commercial boarding house shall be defined as a commercial establishment which offers meals and lodging for compensation with the intent of making a profit. The number of boarders residing in a boarding house shall not be used to determine if a boarding house is a commercial enterprise.
- (8) "Communal dining facility" means a public or nonprofit private establishment approved by FNS which prepares and serves meals for elderly persons, or for supplemental security income (SSI) recipients and their spouses; a public or private nonprofit establishment (eating or otherwise) that feeds elderly persons or SSI recipients and their spouses, and federally subsidized housing for the elderly at which meals are prepared for and served to the residents. It also includes private establishments which contract with a local agency to offer meals at concessional prices to elderly persons or SSI recipients and their spouses.
- (9) "Compliance with CWD Time Limits" means taking action within the time frames specified. If the last day for taking action falls on a Saturday the CWD shall take action on or before that date. When the last day for taking action falls on a Sunday or other holiday, as specified in Government Code Sections 6700 and 6701, the CWD shall take action on the next normal working day except for expedited service time frames as specified in Section 63-301.531.
- (10) "County agency (CWD)" means the agency of county government which has been delegated the responsibility for the administration of the federally aided public assistance programs within the county.
- (11) "Coupon" means a type of certificate provided pursuant to the provisions of Division 63, Food Stamp Regulations, for the purchase of eligible foods.
- (12) "Coupon issuer" means the CWD or any person, partnership, corporation, organization, or other entity with which a CWD has an CDSS approved contract for, or to which it has assigned responsibility for the issuance of coupons to households.
- (d) (1) "Date of entry" or "Date of admission" means the date established by the Immigration and Naturalization Service as the date the sponsored alien was admitted for permanent residence.
- (2) "Days" unless stated otherwise refers to calendar days.
- (3) "Department" means the California Department of Social Services.
- (4) "Director" means the director of the California Department of Social Services.

63-102	DEFINITIONS (Continued)	63-102
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- (5) "Disaster" means one of two types of disasters which are:
 - (A) "Lesser disaster" means a disaster such as, but not limited to, a flood, fire, other catastrophe or temporary emergency that has not been declared a major disaster but is severe enough to have disrupted commercial channels of food distribution.
 - (B) "Major disaster" means one of the following occurrences which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby:
 - (i) any natural catastrophe (such as a hurricane, tornado, storm, high water, winddriven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm or drought); or
 - (ii) regardless of cause, any fire, flood, or explosion.
 - (6) "Disqualification Consent Agreement" means the DFA 478.
 - (7) "Drug addiction or alcoholic treatment and rehabilitation program" means any drug addiction or alcoholic treatment and rehabilitation program under Part B of Title XIX of the Public Health Service Act (42 USC 300x et seq.) conducted by a private nonprofit organization or institution or a publicly operated community mental health center.
 - (A) "Under Part B of Title XIX of the Public Health Service Act" (42 USC 300x et seq.) is defined as meeting the criteria which would make it eligible to receive funds, even if it does not actually receive funding under Part B of Title XIX.
- (e) (1) "Elderly or disabled member" means a member of a household who:
- (A) is 60 years of age or older;

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63-102	DEFINITIONS (Continued)	63-102
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- (B) receives Supplemental Security Income (SSI) benefits under Title XVI, or disability or blindness payments under Title II (Social Security Disability Insurance Program) of the Social Security Act;

HANDBOOK BEGINS HERE

- .1 In accordance with Section 63-402.22, SSI recipients shall be included as a member of the household for purposes of household composition. However, they shall be excluded from the household for the purpose of determining household size, eligibility or benefit level.

HANDBOOK ENDS HERE

- (C) receives disability retirement benefits from a governmental agency because of a disability considered permanent under Section 221(i) of the Social Security Act;
- (D) receives interim assistance benefits pending receipt of SSI, provided that the eligibility to receive those benefits is based upon disability or blindness criteria which are at least as stringent as those used under Title XVI of the Social Security Act;

63-102	DEFINITIONS (Continued)	63-102
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- (E) receives disability-related medical assistance under Title XIX (Medi-Cal) of the Social Security act;
 - (F) receives disability-based general assistance benefits, provided that the eligibility to receive those benefits is based upon disability or blindness criteria which are at least as stringent as those used under Title XVI of the Social Security Act;
 - (G) is a veteran with a service-connected or nonservice-connected disability rated by the Veteran's Administration (VA) as total or paid as total by the VA under Title 38 of the United States Code;
 - (H) is a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound under Title 38 of the United States Code;
 - (I) is a surviving spouse of a veteran and considered by the VA to be in need of regular aid and attendance or permanently housebound or a surviving child of a veteran and considered by the VA to be permanently incapable of self-support under Title 38 of the United States Code;
 - (J) is a surviving spouse or surviving child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a nonservice-connected death under Title 38 of the United States Code and has a disability considered permanent under Section 221(i) of the Social Security Act. "Entitled" as used in this definition refers to those veterans' surviving spouses and surviving children who are receiving the compensation or pension benefits stated or have been approved for such payments, but are not yet receiving them; or
 - (K) receives an annuity payment under Section 2(a)(1)(iv) of the Railroad Retirement Act of 1974 and is determined to be eligible to receive Medicare by the Railroad Retirement Board; or Section 2(a)(1)(v) of the Railroad Retirement Act of 1974 and is determined to be disabled based upon the criteria used under Title XVI of the Social Security Act.
- (2) "Eligible food" means:
- (A) Any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods and hot food products prepared for immediate consumption.
 - (B) Seeds and plants to grow foods for personal consumption of eligible households.
 - (C) Meals prepared and delivered by an FNS authorized meal delivery service to households eligible to use coupons for the purchase of delivered meals; or meals served by a communal dining facility for the elderly to households eligible to use coupons for communal dining.

63-102	DEFINITIONS (Continued)	63-102
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- (D) Meals prepared and served to households eligible to use coupons to purchase those meals by a drug or alcoholic treatment and rehabilitation center which is authorized by FNS to accept coupons in exchange for meals.
 - (E) Meals prepared and served to eligible blind or disabled residents receiving benefits under Title II or Title XVI of the Social Security Act by a group living arrangement which is authorized to accept coupons in exchange for meals.
 - (F) Meals prepared and served by a shelter for battered women and children to its eligible residents.
 - (G) Meals prepared for and served to homeless food stamp households by a public or private nonprofit establishment (e.g., soup kitchen or shelter), which has been authorized by the Food and Nutrition Service (FNS) to accept food stamp coupons. This provision only applies to homeless food stamp households.
- (3) "Energy Assistance" means any payments or allowances made for the purpose of providing energy assistance under a federal law other than Part A of Title IV of the Social Security Act of 1935 (42 U.S.C. 601 et seq.), as amended, or a one-time payment made under a federal or state law for costs of weatherization, emergency repair or replacement of heating or cooling devices if unsafe or inoperative.
- (4) "Entrant Cash Assistance (ECA)" means cash assistance provided to Cuban or Haitian entrants under the same conditions, and to the same extent, as such assistance is provided to refugees receiving Refugee Cash Assistance (RCA).
- (5) "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.
- (f) (1) "FNS" means the Food and Nutrition Service of the U.S. Department of Agriculture.
- (2) "Federal fiscal year" means a period of 12 calendar months beginning with October 1 and ending with September 30 of the following year.

63-102	DEFINITIONS (Continued)	63-102
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- (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.
- (4) "Fleeing felon" means an individual who is fleeing to avoid prosecution, or custody or confinement after conviction, under the law of the place from which the individual is fleeing, for a crime or attempt to commit a crime, that is a felony under the law of the place from which the individual is fleeing or that, in the case of New Jersey, is a high misdemeanor under the law of New Jersey. The existence of a warrant for arrest shall be presumed to be evidence of fleeing, unless rebutted by other evidence sufficient to prove that the individual had no knowledge that s/he was being sought by law enforcement.
- (5) "Food Stamp Act" means the Food Stamp Act of 1977 (Pub. L. 95-113), including any subsequent amendments thereto.
- (g) (1) "General Assistance (GA)" means cash or another form of assistance, excluding in-kind assistance, financed by county funds as part of a program which provides assistance to cover living expenses or other basic needs intended to promote the health or well-being of recipients. Such programs include County General Assistance (GA)/General Relief (GR).
 - (A) For purposes of determining categorical eligibility, as specified in Section 63-301.82, GA recipients include individuals authorized to receive GA benefits whether or not they are actually receiving a GA payment. This includes recipients whose GA benefits have been suspended or recouped, or those who are entitled to GA benefits but are not paid such benefits because the grant is below the minimum payable under the GA program.
- (2) "Group living arrangement" means a public or private nonprofit residential setting, serving no more than sixteen residents, that is licensed by the Department of Social Services. To be eligible for food stamp benefits, a resident of such a group living arrangement must be blind or disabled and receiving benefits under Title II (Retirement, Survivors, Disability Insurance benefits) or Title XVI (SSI) of the Social Security Act. However, if per Section 63-402.225, Title XVI recipients are ineligible for food stamps, this ineligibility shall apply to Title XVI (SSI) recipients who are residing in group living arrangements.

63-102	DEFINITIONS (Continued)	63-102
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(h) (1) "Homeless Assistance" payments for AFDC are considered "nonrecurring lump sum payments" and include:

- (A) Payments for "temporary shelter assistance" for a homeless family seeking permanent housing, not to exceed the current temporary shelter consecutive-day time limit.
- (B) Payments for "permanent housing" to pay for security deposits and utility deposits once permanent housing is located.

"AFDC Interim shelter" payments are not to be included as "Homeless Assistance" under this definition.

(2) "Homeless individual" means an individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

- (A) A supervised shelter designed to provide temporary accommodations (such as a congregate shelter or a welfare hotel where an individual is referred by the CWD);
- (B) A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized;

(C) A temporary accommodation in the residence of another individual for no more than 90 days as follows:

- 1. The 90-day period begins on the date when the individual is temporarily residing in the residence of another and is a food stamp recipient. In no circumstance shall the 90-day period be considered to have started prior to September 22, 1996.
- 2. If the recipient moves into a different temporary residence situation, a new 90-day period begins. There is no limit on the number of times an individual can be identified as homeless.
- 3. Notice shall be provided to inform a household of changes to their status as specified in Section 63-504.2. or

(D) A place not designed for, nor ordinarily used, as a regular sleeping accommodation for human beings (e.g. a hallway, a bus station, a lobby or similar places).

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63-102	DEFINITIONS (Continued)	63-102
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- (3) "Household Disaster" means a natural event such as flood, tornado, or a devastating event such as a fire.
- (4) "House-to-house trade routes" means any retail food business operated from a truck, bus, pushcart, or other vehicle which can move easily from place to place.
- (i) (1) "Identification (ID) card" means the DFA 287.
- (2) "IEVS" means the Income and Eligibility Verification System (see Section 20-006.1).
- (3) "Immigration and Naturalization Service (INS)" means the Immigration and Naturalization Service, U.S. Department of Justice.
- (4) "Inaccessible Resource" means the resource or vehicle would be exempt from consideration if its equity value is \$1,500 or less.
- (5) "Indigent Noncitizen" means a sponsored noncitizen who, in the absence of the assistance provided by the agency, would go hungry and homeless, taking into account the noncitizen's own income plus any cash, food, housing, or other assistance provided by other individuals, including the sponsors.
- (6) "Initial Application and Certification" means the first application for certification filed, or an application for certification filed after any break in certification.
 - (A) For the purpose of prorating benefits (see Section 63-503.13):
 - 1. The first application for benefits a household has ever filed, or
 - 2. An application for certification filed after any period during which the household was not certified for participation except for migrant and seasonal farm worker households. Migrant and seasonal farm worker households which have a break in participation of 30 days or less shall be considered to have continuous participation.
 - (B) For the purpose of determining verification requirements (see Section 63-300.5):
 - 1. The first application for benefits a household has ever filed, or
 - 2. An application for certification filed after at least a one month break since the household was last certified, or
 - 3. An application received from any household which was immediately previously certified in another project area regardless of whether or not there has been a one month break since the household was last certified.

63-102	DEFINITIONS (Continued)	63-102
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- (C) For the purpose of determining whether or not it is a beginning month(s) for a household which shall be subject to retrospective budgeting (see Section 63-503.21):
 - 1. The first application for benefits a household has ever filed, or
 - 2. An application for certification filed after at least a one-month break since the household was last certified and retrospectively budgeted.
- (7) "IPV" means intentional Program violation (see Section 20-300.1).
- (8) "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.
- (9) "Issued" means an item is disbursed. Therefore, coupons or ATPs are considered issued when deposited in the mail or handed over the counter.
- (10) An "issuing point" means a location operated by the CWD and/or its issuance agent which issues coupons to recipients.
- (j) Reserved
- (k) Reserved

63-102	DEFINITIONS (Continued)	63-102
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- (l) (1) "Liquid Resources" means those resources which are in the form of cash or are readily converted into cash. Such resources shall include but may not be limited to cash on hand, money in checking or savings accounts, savings certificates, trust deeds, notes receivable, stocks or bonds, and nonrecurring lump-sum payments unless specifically excluded in Section 63-501.3.

- (m) (1) "Mass change" is defined at Section 63-504.39.

- (2) "Mass Change Notice" means an informational document which is mailed to each household and which meets federal requirements for informational content. See Handbook after Section 63-504.392 for the list of federally required informational elements.

- (3) "Master issuance file" means a cumulative file containing individual household records for all food stamp households indicating household status and the amount of benefits each household is authorized to receive.

- (4) "Meal delivery service" means a political subdivision, a private nonprofit organization, or a private establishment which contracts with a local agency for the preparation and delivery of meals at concessional prices to elderly persons and their spouses; and to the physically or mentally handicapped and their spouses, such that they are unable to adequately prepare all of their meals.

- (5) "Meal provider for the homeless" means a public or private nonprofit establishment that feeds homeless persons, (e.g., soup kitchen or shelter), which has been authorized by the Food and Nutrition Service (FNS) to accept food stamp coupons.

- (6) "Medicaid" means medical assistance under Title XIX of the Social Security Act, as amended.

- (7) Medical licensed practitioner or other qualified health professional authorized by state law include but not be limited to the following: Acupuncturists, Chiropractors, Educational Psychologists, Midwives, Nurse Practitioners, Nurses (Registered, Vocational, Home Administrators and Registry), Physical Therapists, Podiatrists, Psychiatrists, Psychiatric Technicians and Clinical Psychologists.

- (8) "Migrant Farmworker" means an individual who does not live at his/her home, but rather travels from place to place outside the project area in which the individual resides, to seek employment in an agricultural production activity. A migrant household is a household which includes a member who is a migrant farmworker during the certification period.

63-102	DEFINITIONS (Continued)	63-102
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- (9) "Mixed Household" means a food stamp household in which less than all members receive public assistance in addition to food stamp benefits. For purposes of these regulations, mixed households shall be considered nonassistance households and shall be subject to the same procedures as nonassistance households except as otherwise specified.
- (n) (1) "Nonassistance Household" means a household which receives food stamp benefits and in which none or less than all of its members also receive public assistance.
- (2) "Nonliquid Resources" means those resources which are not in the form of cash and are not readily converted into cash. Such resources shall include but may not be limited to personal property, licensed and unlicensed vehicles, buildings, land, recreational properties, and any other property, unless specifically excluded in Section 63-501.3.
- (3) "Nonprofit cooperative food purchasing venture" means any private nonprofit association of consumers whose members pool their resources to buy food.
- (4) "Notice of Action" means a form provided to a household informing them of an action which has been or will be taken concerning the household's eligibility status or level of benefits.
- (o) (1) "Overissuance" means the amount by which coupons issued to a household exceeds the amount it was eligible to receive.
- (p) (1) "Parental Control"
 - (A) A minor child shall not be considered under the parental control of the individual with whom he/she resides if any one of the following conditions exists:
 - (a) The minor entered into a valid marriage, whether or not such marriage has terminated by dissolution.
 - (b) The minor is on active duty with any of the armed forces of the United States of America. (Note: A person who was in the armed forces but was discharged before reaching the age of 18 could still be considered under parental control.)
 - (c) The minor has been emancipated by a court order.

63-102 DEFINITIONS (Continued)

63-102

- (B) If none of the above conditions exist then whether or not a minor should be considered under the parental control of the individual with whom he/she resides shall be determined using the following criteria. The eligibility worker shall assess the relative importance of the criteria below to each individual case in determining whether or not parental control exists:
- (a) The minor is economically self-supporting and managing his/her own affairs.
 - (b) The closer a minor is to 18 years the more significant age becomes in the determination of parental control.
 - (c) The minor is absent from the individual with whom he/she is residing for significant periods of time and comes and goes without the individual's approval.
- (C) Repealed by CDSS Manual Letter No. FS-89-04, (effective June 29, 1989).
- (2) "Person in Violation of Probation or Parole" means an individual who is in violation of a condition of probation or parole imposed under a federal or state law. The initial offense for which probation or parole was ordered need not have been a felony.
- (3) "Photo ID Card" means an identification card used in a Photo Identification Card System to identify the bearer as eligible to receive and use Food Stamps.
- (4) "Photo Identification Card System" is one which meets all the requirements of Section 63-504.8. The photo identification card system may utilize a single identification card which meets the requirements of Sections 63-504.7 and 63-504.8 or two identification cards which together meet the requirements of these sections.
- (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.
- (6) "Prescreening" means gathering information prior to filing an application to perform a preliminary review of eligibility for participation in the Food Stamp Program. Prescreening does not include gathering information to refer an applicant to the appropriate program or office.
- (7) "Program" means the Food Stamp Program conducted under the Food Stamp Act and regulations.
- (8) "Project area" means the county designated as the administrative unit for program operations. Upon prior FNS approval, a city, Indian reservation, welfare district, or any other entity with clearly defined geographic boundaries, or any combination of such entities, may be designated as a project area, or the state as a whole may be designated as a single project area.

63-102	DEFINITIONS (Continued)	63-102
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- (9) A "project area code" is the nine-digit number assigned to each CWD and/or its issuance agents regardless of whether the CWD issues coupons or not.
- (10) "Prospective Budgeting" means the computation of a household's food stamp allotment for an issuance month based on an estimate of income and circumstances which will exist in that month.
- (11) "Prospective Eligibility" means the determination of a household's eligibility for an issuance month based on an estimate of a household's income, circumstances, and composition which will exist in that issuance month.
- (12) "Public Assistance (PA)" means a program funded under Title IV-A of the Social Security Act of 1935, as amended, or matching state funds for public assistance programs. Programs must be means-tested, and all household members must be receiving or authorized to receive benefits from a Temporary Assistance to Needy Families (TANF), or state-funded program.
 - (a) For purposes of determining categorical eligibility, as specified in Section 63-301.7, PA recipients include individuals authorized to receive PA benefits whether or not they are actually receiving a PA payment. This includes recipients whose PA benefits have been suspended or recouped, or those who are entitled to PA benefits but are not paid such benefits because the grant is less than \$10.00.

HANDBOOK BEGINS HERE

- (b) Examples of PA households are:
 - 1. all members receive benefits from the CalWORKs program which is 50 percent TANF-funded.
 - 2. all members receive benefits from the CalWORKs Two-Parent program, which is 50 percent state-funded.

HANDBOOK ENDS HERE

- (q) Reserved
- (r) (1) Compliance with "Recipient Due Dates" means items shall be received by close of business on the date specified unless that date falls on a weekend or holiday, in which case the due date is by close of business on the next normal working day.
- (2) "Record-for-issuance file" means a file which is created monthly from the master issuance file, which shows the amount of benefits each eligible household is to receive for the issuance month and the amount actually issued to the household.

63-102	DEFINITIONS (Continued)	63-102
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- (3) "Regulations" means the provisions of this manual. Regulatory citations refer to provisions of this manual unless otherwise specified.
- (4) "Refugee Cash Assistance (RCA)" means cash assistance provided under Title IV of the Immigration and Nationality Act to refugees who are ineligible for Aid to Families with Dependent Children (AFDC) or Supplemental Security Income (SSI) and who have resided in the United States for less than a 12-month period from their initial entry into the country.
- (5) "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.
- (6) The "reporting point code" is the nine-digit number assigned to each reporting point. In counties in which the CWD itself issues coupons, the project code and the CWD reporting point code will be the same. CWDs not currently issuing but which wish to begin doing so must ensure that their project area code is activated as a reporting point before they begin issuance.
- (7) A "reporting point" means a CWD which prepares and submits an FNS-250 to FNS.
- (8) "Retail food store" means:
 - (A) An establishment or recognized department of an establishment, or a house-to-house trade route, whose eligible food sales volume, as determined by visual inspection, sales records, purchase records, or other inventory or accounting recordkeeping methods that are customary or reasonable in the retail food industry, is more than 50 percent for food items for home preparation and consumption. See Section 63-102(h) for house-to-house trade route definition.
 - (B) Public or private communal dining facilities and meal delivery services, drug addict or alcoholic treatment and rehabilitation programs, public or private nonprofit shelters for battered women and children, or public or private nonprofit group living arrangements which accept food stamps in exchange for meals, and public or private nonprofit establishments that feed homeless persons, (e.g., soup kitchens or shelters), which have been authorized by the Food and Nutrition Service (FNS) to accept food stamp coupons.

63-102	DEFINITIONS (Continued)	63-102
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- (C) Drug addict or alcoholic treatment and rehabilitation programs or public or private nonprofit group living arrangements which redeem coupons directly through wholesalers.
- (D) Any private nonprofit cooperative food purchasing venture, including those whose members pay for food prior to receipt of the food.
- (E) A farmer's market.
- (9) "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.
- (s) (1) "Seasonal Farmworker" means a nonmigrating individual who is employed seasonally in an agricultural production activity during the certification period. A seasonal farmworker household is a household where any member is a seasonal farmworker.
- (2) "Self-employed farmer" means a farmer who receives or anticipates receiving annual gross proceeds of \$1000 or more from the farming enterprise.
 - (A) For the purpose of this section, "farming enterprise" shall be defined as the growing of agricultural products or the raising of livestock for income.
- (3) "Self-employed fisherman" means a fisherman who receives or anticipates receiving annual gross proceeds of \$1000 or more from a fishing enterprise. The fisherman, like a farmer, must produce food and is subject to the same chances as farmers that can result in losses, such as market demands, weather conditions, and the environment. This includes fishermen who are involved in catching or harvesting fish or other types of water life.

63-102	DEFINITIONS (Continued)	63-102
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- (4) "Shelter for Battered Women and Children" means a public or private nonprofit residential facility that serves battered women and/or women with children. A shelter: 1) may have FNS authorization as a retail food store to redeem coupons through wholesalers; 2) may accept coupons from residents in payment for meals prepared by the shelter; 3) may redeem coupons at retailers as the authorized representative; or 4) residents may use coupons to purchase food and prepare meals. If the facility also serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women and/or women with children.
- (5) A "shipping code" is a 12-digit number assigned to each shipping point. (Note that a twelve-digit shipping point code may be assigned to bulk storage, project areas, or issuing points that serve as places where shipment of coupons from FNS are received.)
- (6) A "shipping point" means a place which receives coupon shipments from FNS.
- (7) "Sponsor" means a person who has executed an Affidavit of Support (INS Form I-864 and/or I-864A) required by the INS on behalf of a noncitizen as a condition of the noncitizen's admission into the United States.
- (8) "Sponsored Noncitizen" means a noncitizen for whom a sponsor has executed an Affidavit of Support (INS Form I-864 and/or I-864A) on behalf of the noncitizen, pursuant to Section 213A of the Immigration and Nationality Act.
- (9) "Spouse" refers to either of two individuals who would be defined as married to each other under applicable state law or who are cohabitating and are holding themselves out to the community as husband and wife by representing themselves as such to relatives, friends, neighbors, or tradespeople.

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63-102	DEFINITIONS (Continued)	63-102
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- (10) "Staple food" means those food items intended for home preparation and consumption which include meat, poultry, fish, breadstuffs, cereals, vegetables, fruits, fruit and vegetable juices, and dairy products. Accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices are not staple foods for the purposes of qualifying a firm to participate in the Food Stamp Program as a retail food store.

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

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

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

- (14) "Supplemental Security Income (SSI)" means monthly cash payments made under the authority of: (1) Title XVI of the Social Security Act, as amended, to the aged, blind, and disabled; (2) Section 1616(a) of the Social Security Act; or (3) Section 212(a) of Public Law 93-66.

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

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

- (2) "Thrifty food plan" means the diet required to feed a family of four persons as determined in accordance with the Secretary's calculations. The cost of such diet shall be the basis for uniform allotments for all households regardless of their actual composition, except that the Secretary shall make household-size adjustments in the thrifty food plan taking into account economies of scale.

63-102	DEFINITIONS (Continued)	63-102
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- (3) "Trafficking" means the buying or selling of coupons, access devices or authorization documents such as ATP cards for cash.
- (4) "Transaction receipt" means the document produced in an automated direct access issuance system which can be designed to be signed prior to the issuance of benefits by a household member designated on the ID card or any authorized representative.
- (5) "Transitional housing" means time limited residency to facilitate the movement of homeless individuals and families to permanent housing. The residency shall be determined to be time limited when the household states that their housing situation is temporary, or the CWD or the housing unit imposes a time limit.

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

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

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

- (x) Reserved

- (y) Reserved

- (z) Reserved

NOTE: Authority cited: Sections 10553, 10554, and 18904, 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 272.4(f); 7 CFR 273.1(c)(5); 7 CFR 271.2; 7 CFR 273.2, .2(j), (j)(4), and (v)(2)(i)(B); 7 CFR 273.4(a)(3)(ii) and (iv), .4(c), (c)(2), 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(e); 7 CFR 273.16(c); 7 CFR 273.21(b); 7 CFR 274.3(a)(2); 7 CFR 2710.2; 45 CFR 401; 45 CFR 400.62; Public Law (P.L.) 100-77, Section 802; (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); 8 U.S.C. 1631; U.S.D.A. Food and Nutrition Service Administrative Notices 94-39, 97-44, and 98-56; Hamilton v. Madigan (9th Cir. 1992) 961 F.2d 838; Food Stamp Act Section 6(k)(1); P.L. 104-193, Sections 805, 821, and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); and Federal Register Vol. 59, No. 224, dated November 22, 1994.

63-300 APPLICATION PROCESS 63-300

Section 63-300 applies to the application process for both the federal Food Stamp Program and the California Food Assistance Program (CFAP).

.1 General Process

The application process includes filing and completing an application, being interviewed, and having certain information verified. The CWD shall act promptly on all applications and provide food stamp benefits retroactive to the month of application to those households that have completed the application process and have been determined eligible. Expedited service shall be available to households that qualify under the provisions of Section 63-301.5. Specific responsibilities of the household and CWD are detailed below.

.2 Application Form and Form Deviation

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.

.21 Screening

Applicants shall not be required to complete any CWD developed prescreening form.

.22 IEVS Interface

All applicants for, and recipients of food stamp benefits shall be notified in writing at the time of application, and at each recertification, that information available through IEVS will be requested, used, and may be verified through collateral contact when discrepancies are found by the CWD, and that such information may affect the household's eligibility and level of benefits.

.23 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.

.24 Recertification of Nonmonthly Reporting Households

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

63-300 APPLICATION PROCESS (Continued)**63-300****.3 Filing, Notice of Right to File and Withdrawal**

Households must file food stamp applications by submitting the forms to the food stamp office either in person, or through an authorized representative, by mail, fax, through an electronic transmission, or through an on-line electronic application. The length of time to deliver benefits is calculated from the date the application is filed with the CWD. Applications signed through the use of electronic signature techniques or applications containing a handwritten signature and then transmitted by fax or other electronic transmission are acceptable.

.31 Each household shall be advised of their right to file an application, either paper or electronic, on the same day they contact the Food Stamp office during office hours.

.32 The household shall also be advised that it does not have to be interviewed before filing the application and may file an incomplete application form as long as the form contains the applicant's name and address, and is signed by a responsible member of the household or the household's authorized representative.

.321 Applications contain the penalty of perjury statement and must be signed by one adult household member or authorized representative or a responsible minor when the applicant household is composed entirely of minors and has no adult to act on its behalf.

.322 One adult household member or authorized representative shall attest, under penalty of perjury, that all eligible members of the Food Stamp household are either U.S. citizens, national or lawful alien residents.

.33 The CWD shall document the date the application was filed by recording on the application the date it was received by the food stamp office.

.34 Contacting the Food Stamp Office

The CWD shall encourage households to file an application form the same day the household or its representative contacts the food stamp office in person or by telephone and expresses interest in obtaining food stamp assistance. If a household contacting the food stamp office by telephone does not wish to come to the appropriate office to file the application that same day and instead prefers receiving an application through the mail, an application form shall be mailed to the household on the same day the telephone request is received. An application shall also be mailed on the same day a written request for food assistance is received.

63-300	APPLICATION PROCESS (Continued)	63-300
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.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.

HANDBOOK BEGINS HERE

.415 The CWD may provide the name of a worker to contact.

HANDBOOK ENDS HERE

.42 Waiving the Interview (No Option)

The office interview shall be waived if requested by any household which is unable to appoint an authorized representative and which has no household members able to come to the food stamp office because they are 65 years of age or older, or physically disabled and whose members have no earned income. The office interview shall also be waived if requested by any household which is unable to appoint an authorized representative and lives in a location which is not served by a certification office.

.43 Waiving the Interview (Case-by-case)

The CWD shall waive the face-to-face interview and instead allow a telephone interview on a case-by-case basis for any household which is unable to appoint an authorized representative and which has no household members able to come to the food stamp office because of transportation difficulties or similar hardships which the CWD determines warrant a waiver of the office interview. These hardship conditions include, but are not limited to: illness, care of a household member, prolonged severe weather, or work hours which preclude an in-office interview, lack of transportation, or living in a rural or remote area. The CWD shall determine if the transportation difficulty or hardship reported by a household warrants a waiver of the office interview and shall document in the case file why a request for a waiver was granted or denied.

.44 When the Interview is Waived

The CWD has the option of conducting a telephone interview or a home visit for those households for whom the office interview is waived. Home visits shall be used only if the time of the visit is scheduled in advance with the household.

Waiver of the face-to-face interview does not exempt the household from the verification requirements, although special procedures may be used to permit the household to provide verification and thus obtain its benefits in a timely manner, such as substituting a collateral contact in cases where documentary verification would normally be provided.

63-300	APPLICATION PROCESS (Continued)	63-300
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Waiver of the face-to-face interview shall not affect the length of the household's certification period.

There is no limit to how many times a household may be certified based on telephone interviews. However, the case file must be adequately documented each time the face-to-face interview is waived.

.45 Scheduling Initial Application Interviews

The CWD shall schedule all interviews as promptly as possible to ensure eligible households receive an opportunity to participate within 30 days after the application is filed. If a household misses its scheduled interview, the CWD shall send the household a notice of denial for a missed interview. The CWD shall reschedule if the household requests another interview within 30 days of the initial application filed.

.451 Scheduling Recertification Interviews

- (a) As part of the recertification process, the CWD must conduct an in-office 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 63-300.42 and .43.
- (b) If a household receives PA/GA and will be recertified for food stamps more than once in a 12-month period, the CWD may choose to conduct an in-office face-to-face interview with that household only once during that period. At any other recertification during that year period, the CWD may interview the household by telephone, conduct a home visit, or recertify the household by mail.
- (c) CWDs shall schedule interviews so that the household has at least 10 days after the interview in which to provide verification before the certification period expires.
- (d) If the household misses its scheduled interview and has not rescheduled before the end of the certification period, the CWD need not take further action.

.5 Verification

- .51 Verification is the use of third-party information or documentation to establish the accuracy of statements on the application. Prior to determining eligibility for applicant households, sufficient information concerning the applicant's situation must be obtained in order for the EW to make an informed judgment as to the household's eligibility. Verification and documentation are tools for making this judgement and recording the decision-making process in the case file. The household shall be given at least 10 days from the date of request to provide required verification.

63-300	APPLICATION PROCESS (Continued)	63-300
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- .52 If the household's certification cannot be completed by the end of its current certification period due to the 10-day time period allowed for submitting verification, the CWD shall provide benefits within five working days after the verification is received. Benefits shall not be prorated from the date verification is received; the household shall receive a full month of benefits.

- .53 If obtaining verification of a deductible expense may delay the household's certification beyond the normal processing time frame, the CWD shall advise the household that its eligibility and benefit level may be determined without providing a deduction for the claimed, but unverified expense.

- .54 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.

.55 Mandatory Verification

The CWD shall verify the following information prior to certification for households initially applying:

(a) Gross Nonexempt Income

Gross nonexempt income shall be verified for all households prior to certification. However, where all attempts to verify the income have been unsuccessful because the person or organization providing the income has failed to cooperate with the household and the CWD and all other sources of verification are unavailable, the CWD shall determine an amount to be used for certification purposes based on the best available information. Best available information may include an applicant's affidavit.

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63-300	APPLICATION PROCESS (Continued)	63-300
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(b) Noncitizen Status

Based on the application, the CWD shall determine if members identified as noncitizens are eligible noncitizens, as specified in Sections 63-405.11 through .17, by requiring that the household present verification for each noncitizen member.

- (1) If the proper INS documentation is not available, the noncitizen may state the reason and submit other conclusive verification. The CWD shall accept other forms of documentation or corroboration from INS.
- (2) If the noncitizen has no documentation at all of eligible noncitizen status, (not even an INS form I-94) the CWD shall inform the noncitizen that:
 - (A) he/she is ineligible to participate in the Food Stamp Program without INS verification of noncitizen status,
 - (B) he/she may contact INS or otherwise obtain the necessary documentation and
 - (C) if he/she wishes, he/she may sign a form authorizing the CWD to request verification of the noncitizen's status.
- (3) If an alien gives written consent for the CWD to contact INS to obtain verification of the alien's status, the CWD shall contact INS. However, the CWD shall not contact INS to obtain information about the alien's correct status without the alien's written consent.
- (4) A noncitizen is ineligible until acceptable documentation is provided unless:
 - (A) The CWD has submitted a copy of a document provided by the household to INS for verification. Pending such verification, the CWD cannot delay, deny, reduce or terminate the individual's benefits on the basis of the individual's immigration status; or
 - (B) The applicant or CWD has submitted a request to a federal agency for verification of information that bears on the individual's eligible noncitizens status. The CWD shall certify the individual pending the results of the investigation for up to six months from the date of the original request for verification.

63-300 APPLICATION PROCESS (Continued)

63-300

- (5) The CWD shall provide noncitizen applicants with a reasonable opportunity to submit acceptable documentation of their noncitizen status by the 30th day following the date of application. A reasonable opportunity must be at least 10 days from the date of the CWD's request for an acceptable document. When the CWD fails to provide a noncitizen applicant with a reasonable opportunity by the 30th day following the date of application, the CWD must provide the household with benefits no later than 30 days following the date of application, provided the household is otherwise eligible.
- (6) If the noncitizen does not wish to contact INS or give permission for the CWD to contact INS, the household shall be given the option of withdrawing its application or participating without that member. The income and resources of a noncitizen who would be considered a household member if he/she were determined to be an eligible noncitizen, shall be treated as available to the household in accordance with Section 63-503.442.
- (7) For households whose noncitizen members have not provided verification the CWD shall determine that the noncitizen is ineligible and an excluded member. The CWD shall determine the eligibility of the remaining household members in accordance with Section 63-503. The income and resources of the excluded member(s) shall be treated as available to the household in accordance with Section 63-503.442.

If the CWD subsequently receives verification of eligible status, the CWD shall act on the information as a reported change in household membership in accordance with the timeliness standards in Sections 63-504.35 or 63-504.42.

- (8) If an all-noncitizen household is denied benefits because necessary noncitizen verification is missing, and the CWD subsequently receives the required verification, the CWD shall within 30 days following receipt of verification notify the household that verification of noncitizen status has been received and that the household may now be eligible to participate in the Food Stamp Program and that the household may now reapply.

(c) Identity

The identity of the person making the application shall be verified. When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household shall be verified. Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact (see Section 63-300.542).

63-300	APPLICATION PROCESS (Continued)	63-300
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(g) Medical Expenses

The amount of any medical expenses deductible under Section 63-502.33 shall be verified prior to being allowed. Verification of other factors, such as the allowability of costs incurred or the eligibility for such a deduction of the person incurring the cost, shall be required if questionable. If obtaining verification of a medical expense may delay the household's certification, the EW shall advise the household that its eligibility and benefit level may be determined without providing a deduction for the claimed but unverified expense.

(h) Sponsored Noncitizen Information

The sponsored noncitizen shall provide information in accordance with Section 63-405.7 except as specified in Sections 63-301.71 and .822. The deeming rules apply only to sponsored noncitizens whose sponsors have signed an Affidavit of Support (INS Form I-864 and/or I-864A).

The CWD shall obtain from the noncitizen the following information at the time of the household's initial application and at the time the household applies for recertification:

- (1) Affidavit of Support (INS Form I-864 and/or I-864A)
- (2) The income and resources of the noncitizen's sponsor.
- (3) The names or other identifying factors (such as a noncitizen registration number) of other noncitizens for whom the sponsor has signed an Affidavit of Support (INS Form I-864).
- (4) The provisions of the Immigration and Nationality Act under which the noncitizen was admitted.

63-300	APPLICATION PROCESS (Continued)	63-300
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- (5) The date of the sponsored alien's entry or admission as a lawful permanent resident as established by INS.
 - (6) The alien's date of birth, place of birth, and alien registration number.
 - (7) The number of dependents who are claimed or could be claimed as dependents by the sponsor or the sponsor's spouse for federal income tax purposes.
 - (8) The name, address and phone number of the **noncitizen's** sponsor.
 - (9) Verification is required for the information specified in Sections 63-403.341 and .342, except as specified in Section 63-301.71. The CWD shall verify all other information which they have determined to be questionable and which affects household eligibility and/or benefit level in accordance with Section 63-300.53. The CWD shall assist aliens in obtaining verification in accordance with Section 63-300.55.
- (i) Disability
- The CWD shall verify disability as defined in Section 63-102e.(1) as follows:
- (1) For an individual to be considered disabled under subsection (B) of the definition, the household must provide proof that the disabled individual is receiving Supplemental Security Income (SSI) benefits under Title XVI, or Disability Insurance Program benefits under Title II of the Social Security Act.
 - (2) For an individual to be considered disabled under subsection (G) of the definition, the household must provide a statement from the VA which indicates that the disabled individual is receiving VA disability benefits for a service - or nonservice-connected disability which is rated or paid at the total rate by VA.

63-300	APPLICATION PROCESS (Continued)	63-300
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.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.)

.61 Notice of Right to a Receipt

CWDs shall post a notice of the applicant's or recipient's right to a receipt in a prominent location and in an area where documents are regularly received.

.62 Exemptions from Receipt Requirements

.621 A CWD which maintains a system of logging hand delivered documents shall be exempt from the requirement to provide a receipt or post notice of right to a receipt.

.622 A CWD which provides receipts for all hand delivered documents without a request by an applicant or recipient shall be exempt from the notice posting requirement.

.623 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.

NOTE: Authority cited: Sections 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554, 11023.5, 11348.5, 18904, and 18932, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 273.2(b)(ii), (c)(2)(i) and (ii), (c)(3), (c)(5), (e)(2), (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 273.12(c); 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 Office, Western Region, Administrative Notice 84-56, Indexed Policy Memo 84-23; 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; Chapter 306, Statutes of 1988, and AB 1371, Chapter 306, Statutes of 1995; and Blanco v. Anderson Court Order, United States District Court, Eastern District of California, No. CIV-S-93-859 WBS, JFM, dated January 3, 1995.

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HANDBOOK BEGINS HERE

- (c) See Handbook Section 63-503.212(a)(1)(A) for an example.

HANDBOOK ENDS HERE

- .634 For all households, portions of initial PA payments intended to retroactively cover a previous month shall be disregarded as lump sum payments as specified in Section 63-502.2.

.7 Categorically Eligible PA Households

Any household, except those specified in Section 63-301.73, in which all food stamp eligible members receive or are authorized to receive PA benefits, shall be considered eligible for food stamps because of their status as PA recipients [Section 63-102(p)]. The following shall also be considered categorically eligible:

- .71 Households subject to retrospective budgeting that have been suspended for PA purposes or that receive zero benefits.
- .72 The eligibility factors which shall be accepted for food stamp eligibility without verification are the resource, gross and net income limits; social security number information; sponsored alien information; and residency.
- .73 When determining whether a household is to be considered PA categorically eligible, the CWD shall verify the following factors, only when questionable, as specified in Section 63-300.53.
- .731 The household shall contain only food stamp eligible members that are PA recipients as defined in Section 63-102(p).
- .732 The household shall meet the definition of a household as specified in Sections 63-102(h) and 63-402.
- .733 The household shall include all persons who purchase and prepare food together in one food stamp household regardless of whether or not they are separate units for PA purposes.
- .734 The household has not been disqualified or does not include persons who have been disqualified as specified in Section 63-301.73.

63-301	APPLICATION PROCESSING TIME STANDARDS (Continued)	63-301
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- .74 The following households shall not be considered categorically eligible and are subject to all food stamp eligibility and benefits provisions if:
 - .741 Any household member is disqualified for an intentional Program violation as specified in Section 63-805;
 - .742 The household fails to comply with the monthly reporting requirements specified in Section 63-504.32, and Sections 63-505.2, .3, and .4;

- .75 The following persons shall not affect the eligibility of an otherwise categorically eligible PA household:
 - .751 Ineligible non-citizens as defined in Section 63-403.1;
 - .752 Ineligible students as defined in Section 63-406;
 - .753 SSI recipients as defined in Section 63-102(s);
 - .754 SSN-disqualified persons as defined in Section 63-102(s);
 - .755 Persons institutionalized in an unauthorized facility as defined in Section 63-402.4;
 - .756 Household members who are disqualified for failure to comply with work requirements as specified in Section 63-407.4; or
 - .757 GA recipients who receive benefits from a GA program appropriate for categorical eligibility.

- .76 For purposes of work registration, the exemptions specified in Section 63-407.2 shall apply to individuals in PA categorically eligible households. Any individual who is not exempt from work registration is subject to the work requirements specified in Section 63-407.

63-301 APPLICATION PROCESSING TIME STANDARDS (Continued) 63-301

.8 GA Households

.81 CWDs shall advise all GA applicant households of their potential categorical eligibility for Food Stamp benefits and provide these households with a DFA 285-A1 and DFA 285-A2 or the joint application forms. GA households shall not be considered categorically eligible for Food Stamp benefits unless they receive, or are authorized to receive, benefits from a GA program appropriate for categorical eligibility as specified in Section 63-301.82.

.811 CWDs shall allow households in which all members are applying for GA benefits to leave a signed Food Stamp application, which contains, at a minimum, the household's name, address, and signature, at the GA office. The GA office shall forward the application that same day to the appropriate Food Stamp office for processing.

.812 The procedural and timeliness requirements that apply to the non-PA application process shall begin when the Food Stamp office receives the application. Since there may be a delay involved in the transferring of applications from GA offices to food stamp offices, households shall be advised that they may receive faster service if they take the application directly to the Food Stamp office.

.82 Categorically Eligible GA Households

.821 Any household, except those specified in Section 63-301.824, in which all food stamp eligible members receive or are authorized to receive GA benefits from a GA program which meets the following criteria, shall be considered eligible for food stamps because of their status as GA recipients.

- (a) The GA program must have income criteria equal to, or more restrictive than, the food stamp gross income test; and
- (b) The GA program must provide benefits as defined in Section 63-102g.(1)(A) and must not provide only one-time emergency payments; and
- (c) A signed certification that the county's GA program is appropriate for categorical eligibility is on file with the CDSS; or

63-301	APPLICATION PROCESSING TIME STANDARDS (Continued)	63-301
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- (d) The GA program has been certified by FNS as an appropriate program.
- .822 The eligibility factors which shall be accepted for food stamp eligibility without verification are the resource (except resource transfers); gross and net income limits, sponsored **noncitizen** information; and residency.

HANDBOOK BEGINS HERE

- (a) Sponsored **noncitizens** shall continue to cooperate in providing sponsor information, as specified in Section 63-405.7, for use in determining benefit level.

HANDBOOK ENDS HERE

- .823 When determining whether a household is to be considered GA categorically eligible, the CWD shall verify that the household contains only food stamp eligible members who are receiving, or are authorized to receive, GA from a GA program appropriate for categorical eligibility.
 - (a) Where household composition is questionable, the CWD shall determine that the household meets the definition of household as specified in Section 63-402 and contains no individuals disqualified as specified in Section 63-301.825.
- .824 A household shall not be considered categorically eligible and is subject to all food stamp eligibility and benefit provisions if:
 - (a) The household refuses to cooperate in providing information to the CWD that is necessary for making an eligibility determination or for completing any subsequent review of eligibility;
 - (b) The household is disqualified because the head of household fails to comply with a work requirement as specified in Section 63-407.1;
 - (c) The household is ineligible under the striker provisions as specified in Section 63-402.8; or
 - (d) The household is ineligible because they knowingly transferred resources for the purpose of qualifying or attempting to qualify for the program as specified in Section 63-501.6.

63-301 APPLICATION PROCESSING TIME STANDARDS (Continued) 63-301

.825 The following individuals shall not be included as a member of an otherwise categorically eligible household if that person:

- (a) Is disqualified for intentional Program violation;
- (b) Is not the head of household and disqualified for failure to comply with the work requirements specified in Section 63-407.1;
- (c) Fails to provide or apply for a social security number;
- (d) Is an ineligible alien;
- (e) Is an ineligible student;
- (f) Is an SSI recipient; or
- (g) Is institutionalized in a nonexempt facility as specified in Section 63-402.4.

.9 Mixed Food Stamp Households

Mixed food stamp (FS) households are FS applicant households in which some, but not all, members are in the PA assistance unit (AU).

.91 CWDs may use the joint application processing procedures in Section 63-301.6 for mixed FS households. This decision shall not be made on a case-by-case basis, but shall be applied uniformly to all households of this type in the county.

.92 Mixed FS households shall not be considered categorically eligible for food stamp benefits.

.93 CWDs shall exclude any resource of FS household members receiving PA. If a resource is jointly held by a Food Stamp household member who is receiving PA and a Food Stamp household member who is not receiving PA, then exclude the amount that was counted in determining the PA eligibility.

63-301	APPLICATION PROCESSING TIME STANDARDS (Continued)	63-301
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.94 Mixed FS households must meet the food stamp gross and net income standards of eligibility.

NOTE: Authority cited: Sections 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554, 18901, and 18904, 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), (h)(1)(C), (h)(1)(i)(B), (h)(2)(i)(A), (i)(4)(iii)(B), (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); Food and Consumer Service Waiver dated May 24, 1996; and Federal Food Stamp Policy Memos 82-9 dated December 8, 1981, and 88-4 dated November 13, 1987.

63-402 HOUSEHOLD CONCEPT (Continued)

63-402

- .62 Drug addict/alcoholic treatment centers and group living arrangements as authorized representatives. Narcotic addicts or alcoholics who regularly participate in a drug or alcoholic treatment program on a resident basis and disabled or blind residents of group living arrangements as defined in Section 63-102g(2) who receive benefits under Title II or Title XVI of the Social Security Act may elect to participate in the food stamp program. However, if per Section 63-402.2, Title XVI recipients are ineligible for food stamps, this ineligibility shall apply to Title XVI (SSI) recipients residing in group living arrangements.
- .621 The residents of drug or alcoholic treatment centers shall apply and be certified for Food Stamp Program participation through the use of an authorized representative who shall be an employee of and designated by the institution that is administering the treatment and rehabilitation program.
- (a) The institution shall receive and spend the coupon allotment for food prepared by and/or served to the residents of the center who are participating in the Food Stamp Program.
 - (b) Each resident participating in the treatment program, together with his/her children, shall be certified as an individual household without regard to a spouse and/or family members (other than the children of the narcotic addict or alcoholic) who may or may not reside at the treatment center.
- .622 Residents of group living arrangements (GLA) shall apply and be certified through use of an authorized representative employed and designated by the GLA or apply or be certified on their own behalf or through an authorized representative of their own choice. The GLA shall determine if any resident may apply for food stamps on his/her own behalf; the determination should be based on the resident's physical and mental ability to handle his/her own affairs. The GLA is encouraged to consult with any other agencies of the state and/or county providing other services to individual residents prior to a determination. All of the residents of the GLA do not have to be certified either through an authorized representative or individually in order for one or the other method to be used.
- (a) If the residents apply on their own behalf, the household size must be in accordance with Section 63-402.1. The CWD must certify these residents using the same provisions that apply to other households.
 - (b) If the residents apply through the use of the GLA's AR, their eligibility must be determined as a one-person household.

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63-402 HOUSEHOLD CONCEPT (Continued)

63-402

- (c) If a resident applies through the facility as the authorized representative, the head of the GLA may either receive and spend the coupon allotment for food prepared by and/or served to the eligible resident or allow the eligible resident to use all or any portion of the allotment on his/her own behalf.
- (d) If the residents are certified on their own behalf, the coupon allotment may either be returned to the facility to be used to purchase food for meals served either communally or individually to eligible residents; used by eligible residents to purchase and prepare food for their own consumption; and/or to purchase meals prepared and served by the GLA.
- (e) In any case, the GLA is responsible for complying with the requirements set forth in Section 63-503.48. If the GLA has its status as an authorized representative suspended by FNS (as discussed in Section 63-503.478), residents applying on their own behalf shall still be able to participate if otherwise eligible.

.63 Restrictions

The following restrictions apply to authorized representatives:

- .631 In the event the only adult living with a household is classified as a nonhousehold member, that individual may be the authorized representative for the minor household members.
- .632 CWD employees who are involved in the eligibility determination and/or issuance processes and employees of authorized food firms and meal services that are authorized to accept food coupons may not act as authorized representatives unless the CWD determines that no one else is available to serve as an authorized representative.

63-402 HOUSEHOLD CONCEPT (Continued)

63-402

- .633 An individual disqualified for an intentional Program violation shall not act as an authorized representative during the period of disqualification, unless the individual is the only adult member of the household and the CWD has determined that no other representative is available.
- (a) The CWD shall separately determine whether these individuals are needed to apply on behalf of the household, to obtain coupons, and to use the coupons to purchase food for the household.

HANDBOOK BEGINS HERE

- (b) For example, the household may have an authorized representative designated to obtain its coupons each month, but not be able to find anyone to purchase food regularly with the coupons. If the CWD is also unable to find anyone to serve as the household's representative, the disqualified member shall be allowed to serve as a representative and purchase food for the household using its coupons.

HANDBOOK ENDS HERE

- .634 Meal providers for the homeless shall not be allowed to act as authorized representatives for homeless food stamp recipients.
- .64 CWD Responsibilities
- .641 The CWD shall insure that authorized representatives are properly designated.
- .642 The name of the authorized representative shall be contained in the household's case file.
- .643 Limits shall not be placed on the number of households an authorized representative may represent.

63-402	HOUSEHOLD CONCEPT (Continued)	63-402
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- .82 Households with striking members shall be ineligible to participate in the Food Stamp Program unless the household was eligible one day prior to involvement in the strike action and on the date of application. The CWD shall perform two separate eligibility determinations.
- .821 To determine pre-strike eligibility, consider the day prior to the member's involvement in the strike as the day of interview and assume the strike did not occur.
- .822 To determine eligibility, compare the striking member's income before the strike to the striker's income which can be anticipated with reasonable certainty during the strike, (e.g., income from the receipt of strike benefits or temporary employment during the strike). The higher of the two amounts shall be added to the income of nonstriking members during the month of application.
- .823 To determine benefits, deductions shall be calculated for the month of application as for any household. Whether the striker's prestrike income or income during the strike is used, the earned income deduction shall be allowed if applicable. Benefit level of an eligible striker household is based on current circumstance except for income as specified above.
- .83 CWDs shall use the method as specified in Section 63-402.82 in determining benefits and eligibility for continuing households when a member becomes involved in a strike. Such a household shall not receive an increased allotment as the result of a decrease in the income of the striking member(s) of the household.
- .84 The household's income immediately prior to the involvement in the strike action at the date of application shall be verified at the time of application. Any anticipated income during the strike shall also be accounted for at this time. It is the responsibility of the household to provide the CWD with verification of such income for the purpose of determining eligibility and benefit levels in accordance with Section 63-300.5.
- .85 Strikers shall be subject to the work registration requirements unless exempt under Section 63-407.2.

NOTE: Authority cited: Sections 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554, 11251.3, 11486.5, and 18904, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 273.1(a)(1) through (a)(2)(ii) through (b)(2)(iii), (c), (c)(1), (c)(6), 7 CFR 273.1(d)(1) and (2), (e)(1), and (g); 7 CFR 273.2(j)(4); 7 CFR 273.9(b)(2)(ii); 7 CFR 273.10(c)(1)(i); 7 CFR 273.11, .11(b)(1) and (f); 7 CFR 274.5 and 7 CFR 274.10; Public Law (P.L.) 100-77, Section 802; P.L. 103-66; USDA Food and Nutrition Service (FNS), Administrative Notice (AN) 89-65; AN 94-39; AN 98-43; USDA FNS Policy Memo 89-11 and 89-12; 7 U.S.C. 2015(d)(1), P.L. 104-193, Sections 115, 803, 815, and 821 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); and the Balanced Budget Act of 1977 (Sections 5516 and 5518).

63-403 CALIFORNIA FOOD ASSISTANCE PROGRAM (CFAP)

63-403

.1 Noncitizen Eligibility

Certain legal noncitizens of the United States (U.S.) shall be eligible for CFAP if they were legally present in the U.S. prior to August 22, 1996, and are not eligible for federal Food Stamp (FS) benefits, based solely on their immigration status under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. Legal noncitizens who are otherwise eligible, but who entered the U.S. on or after August 22, 1996 and do not meet the conditions as specified in Section 63-403.11, shall only be eligible for CFAP until September 30, 2000. Legal presence can be verified through INS at application [i.e. Systematic Alien Verification for Entitlements (SAVE) System]. Noncitizens who are not eligible for the federal program are eligible for CFAP if they are one of the following:

- .11 A legal noncitizen who entered the U.S. on or after August 22, 1996, if he or she is sponsored and is able to provide verification that: a) the sponsor has died; b) the sponsor is disabled as specified in Section 63-403.5; or c) the applicant, after entry into the U.S. is a victim of abuse as specified in Section 63-403.2, by the sponsor or the sponsor=s spouse.
- .12 A legal noncitizen who is an abused/battered noncitizen spouse or child or the parent or child of the abused/battered noncitizen as specified in Section 63-405.5.
- .13 A legal noncitizen who is a Cuban or Haitian entrant as defined in Section 501(e) of the Refugee Assistance Act of 1980.
- .14 A legal noncitizen whose immigration status meets the eligibility criteria of the federal Food Stamp Program (FSP) which were in effect on August 21, 1996. These criteria were:
 - (a) Noncitizens lawfully admitted for permanent residence as immigrants as defined in Sections 101(a)(15) and 101(a)(20) of the Immigration and Nationality Act (INA), including those provided with an affidavit of support to overcome Section 212(a)(4) of the INA;
 - (b) Noncitizens who entered the U.S. prior to January 1, 1972, or a later date as required by law, and have continuously maintained residency, and are eligible for citizenship, are considered to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General pursuant to Section 249 of the INA;
 - (c) Noncitizens who entered the U.S. as refugees, pursuant to Section 207 of the INA;
 - (d) Noncitizens who entered the U.S. as asylees, pursuant to Section 208 of the INA;
 - (e) Noncitizens who were paroled into the U.S. as a result of an exercise of discretion by the Attorney General for emergent reasons or reasons deemed strictly in the public interest pursuant to Section 212(d)(5) of the INA;

63-405 CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS 63-405

CWDs shall limit participation in the Food Stamp Program to individuals who are either United States (U.S.) citizens or eligible noncitizens.

For the purpose of qualifying as a U.S. citizen, the U.S. shall be defined as the 50 states and the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. Additionally, citizens of American Samoa, Swain's Island and the Northern Mariana Islands who reside in the U.S. shall be considered to have met the citizenship eligibility requirements.

- .1 A noncitizen who is a lawful resident of the U.S. and meets any of the following requirements is eligible for participation in the federal Food Stamp Program (FSP):

Section 63-405.11 qualified noncitizen and Section 63-405.12 time limited eligibility (7 year limit)

or

Section 63-405.11 qualified noncitizen and Section 63-405.13 Indefinite Eligibility

or

Section 63-405.2 Indefinite Eligibility

- .11 A QUALIFIED NONCITIZEN IS:

.111 A person who is lawfully admitted to the U.S. for permanent residence under the Immigration and Nationality Act (INA).

.112 A refugee under Section 207 of the INA.

.113 An asylee under Section 208 of the INA.

.114 A noncitizen who had deportation withheld under Section 243(h) of the INA (before April 1, 1997, or under Section 241(b)(3) of the INA on or after April 1, 1997).

63-405	CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS (Continued)	63-405
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- .115 A Cuban or Haitian entrant as defined in 501(e) of the Refugee Education Assistance Act of 1980.
- .116 A conditional entrant under Section 203(a)(7) of the INA as in effect prior to April 1, 1980.
- .117 A parolee under Section 212(d)(5) of the INA for at least one year.
- .118 An abused/battered spouse and/or unmarried dependent child and/or child of an abused/battered parent and/or parent of an abused/battered child as specified in Section 63-405.5.

- .12 TIME LIMITED FOOD STAMP ELIGIBILITY CRITERIA. The following noncitizens are only eligible for seven years after admitted or granted status and must be one of the qualified noncitizens as specified in Section 63-405.11.
 - .121 A refugee **admitted** under Section 207 of the INA.
 - .122 An asylee **granted asylum** under Section 208 of the INA.
 - .123 Had deportation withheld under Section 243(h) of the INA before April 1, 1997, or under Section 241(b)(3) of the INA, on or after April 1, 1997.
 - .124 A Cuban or Haitian entrant **granted asylum** under **Section** 501(e) of the Refugee Education Assistance Act of 1980, or;
 - .125 An Amerasian immigrant **admitted** under **Section** 584 of **Public Law 100-202**, as amended by Public Law 100-461.

- .13 INDEFINITE FOOD STAMP ELIGIBILITY CRITERIA. The following noncitizens are eligible indefinitely, provided they are one of the qualified noncitizens specified in Section 63-405.11:
 - .131 Who is lawfully admitted to the U.S. for permanent residence and can be credited with 40 qualifying quarters of coverage as specified in Section 63-405.4

63-405 CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS (Continued) 63-405

- .132 An active member of the U.S. armed forces or an honorably discharged veteran of the U.S. armed forces, including their spouse or unmarried dependent child, or unremarried surviving spouse of a deceased veteran, as specified in Section 63-405.3.
 - .133 Was lawfully residing in the U.S. on August 22, 1996 and is under 18 years of age at application and remains eligible until 18 years of age.
 - .134 Was lawfully residing in the U.S. on August 22, 1996 and disabled or blind as specified in Section 63-102e.(1)(B) through (K) but not if receiving SSI. Must show physician's verification of disability.
 - .135 Was lawfully in the U.S. and 65 years or older on August 22, 1996.
- .2 The following noncitizens are eligible for food stamp benefits for an indefinite period of time, even if they are not qualified noncitizens as specified in Section 63-405.11.
- .21 An individual who:
- .211 Was a member of a Hmong or Highland Laotian tribe at the time that the tribe rendered assistance to U.S. personnel by taking part in a military or rescue operation during the Vietnam era (as defined in 38 U.S.C. 101) and is lawfully residing in the U.S..

HANDBOOK BEGINS HERE

Documentary evidence of Hmong or Highland Loatian tribe member includes:

- (a) Was born in Laos [or another country with Hmong or other Highland Loatian populations and can give a reasonable explanation as to why he/she was not born in Laos (the countries include Thailand, Cambodia, China, Vietnam, Philippines, Indonesia, Hong Kong, Malaysia, and Singapore)];
- (b) Has a refugee code RE1, RE2, RE3, RE6, RE7, R86, IC6, or IC7, or can give a reasonable explanation of his/her immigration to the U.S. (for example, sought asylum in another country and later immigrated to the U.S.);
- (c) Entered the U.S. in April 1975 or later (or can give a reasonable explanation for having entered before that, such as came here as a student, for military training, to escape the war, and so on);

HANDBOOK CONTINUES

HANDBOOK CONTINUES

- (d) Signs an affidavit swearing under penalty of law that he/she was a member of a Hmong or Highland Loatian tribe between August 5, 1964 and May 7, 1975. [If a food stamp worker has access to the Refugee Data Center (RDC) list of eligible Hmong and Highland Loatian refugees who entered the U.S. after 1979, and the name or alien number of the person claiming membership in a tribal group appears on the list, there is no need for the affidavit. However, the worker must not deny eligibility for food stamps simply because the RDC list is unavailable or the applicant's name or alien number does not appear on it.]; and
- (e) Presents other information/documentation establishing that the tribal member was part of a Hmong/Highland Loatian Tribe between August 5, 1964 and May 7, 1975.

HANDBOOK ENDS HERE

- .212 Is the spouse, unmarried dependent child or unremarried surviving widow or widower of a deceased Hmong or Highland Loatian tribal member and verifies his/her status as a member of the tribal member's family.

HANDBOOK BEGINS HERE

- (a) Divorced spouses do not qualify as family members.
- (b) A member of the family of a deceased tribal member need not show that the deceased tribal member legally resided in the U.S..
- (c) A child means the legally adopted or biological child of the Hmong or Highland Laotian described in Section 64-405.211.
- (d) An unmarried dependent child of a Hmong or Highland Laotian described in Section 63-405.21, is under the age of 18, or a full-time student under the age of 22, an unmarried child under the age of 18 or if a full-time student under the age of 22 of a deceased Hmong or Highland Laotian provided the child was dependent upon him or her at the time of his/her death, or an unmarried disabled child age 18 or older if the child was disabled and dependent on the person prior to the child's 18th birthday.

HANDBOOK ENDS HERE

63-405	CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS	63-405
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(Continued)

.22 An individual who is:

- .221 A member of an Indian tribe (as defined in Section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)) who is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

HANDBOOK BEGINS HERE

- (a) This includes, but is not limited to, Native Americans who are entitled to cross the border into the U.S. from Canada or Mexico, the St. Regis Band of the Mohawk in New York State, the Micmac in Maine, the Abanaki in Vermont, and the Kickapoo in Texas.

HANDBOOK ENDS HERE

- (b) Applicants shall provide a membership card or other tribal document demonstrating membership in an Indian tribe. If the applicant has no membership documentation, the CWD shall contact the Indian tribe for verification.

- .222 An American Indian born in Canada to whom the provisions of Section 289 of the INA (8 U.S.C. 1359) apply.

HANDBOOK BEGINS HERE

Documentary evidence of Section 289 status is:

- (a) An unexpired Alien Registration Receipt Card or Permanent Resident Card with the code S13; or
- (b) An unexpired temporary I-551 stamp in a Canadian passport or on the Arrival-Departure Record with the code S13; or
- (c) A letter or tribal document certifying at least 50% Indian blood as required by Section 289 of the Act and a birth certificate or satisfactory evidence of birth in Canada.

HANDBOOK ENDS HERE

- .3 A veteran or a person on active duty in the U.S. armed forces is eligible. The spouse, or unmarried dependent child, or unremarried surviving spouse of a deceased veteran or active duty person is also eligible.

63-405	CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS	63-405
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(Continued)

- .31 For purposes of this section, "veteran" means:
- .311 Has been honorably discharged for a reason other than on account of alienage as documented by a DD Form 214 or other acceptable verification; and
 - .312 Has met the minimum active-duty service requirements (24 months or the period for which the person was called to active duty).
 - .313 An individual who served before July 1, 1946, in the organized military forces of the Government of Commonwealth of the Philippines.
- .32 For purposes of this section, "surviving spouse of a deceased veteran or individual on active duty" means:
- .321 The spouse has not remarried and the marriage fulfilled these requirements (married for at least one year, or married before the end of a 15-year time span following the end of the period of military service in which the injury or disease was incurred or aggravated, or married for any period if a child was born of the marriage or was born before the marriage);

HANDBOOK BEGINS HERE

- .33 For purposes of this section, "Unmarried dependent child" means:
- .331 Legally adopted or biological child of a person described in Section 63-405.31.
 - .332 Under the age of 18.
 - .333 Under the age of 22 and a student who is otherwise eligible as specified in Section 63-406.2.
 - .334 Eighteen (18) or older if the child was/is disabled and dependent prior to turning 18.

HANDBOOK ENDS HERE

63-405 CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS
(Continued)**63-405**

- .4 A noncitizen who can be credited with 40 quarters (10 years) of qualifying employment; or can be credited with such qualifying credits of employment through parents (up through the quarter the applicant turned 18, including credits earned before the child was born) and/or spouse (for work performed during their marriage and the noncitizen remains married to such spouse or such spouse is deceased) is eligible. One credit equals one calendar quarter of qualifying employment. Beginning with the first quarter of 1997, no credit shall be countable if the individual who earned it received any federal means-tested public benefits. Qualifying credits of employment shall be verified.
- .41 At the eligibility interview the CWD shall ask the following questions about any noncitizen whose eligibility needs to be determined.
- .411 How long has the applicant noncitizen, and if necessary, the applicant noncitizen's parents (up through the quarter the applicant turned 18, including credits earned before the child was born) and/or spouse (for work performed during their marriage and the noncitizen remains married to such spouse or such spouse is deceased) lived in the United States? If the period of time is more than 10 years, it is not necessary to ask question B (Section 63-405.412). Skip to question C (Section 63-405.413). However, if the period of time is less than 10 years, question B (Section 63-405.412) shall be asked.
- .412 Did the applicant noncitizen, the applicant noncitizen's parents (up through the quarter the applicant turned 18, including credits earned before the child was born) and/or spouse (for work performed during their marriage and the noncitizen remains married to such spouse or such spouse is deceased) ever perform work for a United States business or the U.S. government, while not residing in the United States? If so, for how many calendar quarters or years? If an applicant noncitizen neither lived in the U.S. at least 10 years, or worked for a United States business or the U.S. government while living in another country; or if the combination of years lived in the United States and worked for a United States business or the U.S. government while living in another country totals less than 10 years, then the applicant noncitizen shall be denied food stamps. If the total is at least 10 years, then question C (Section 63-405.413) shall be asked.
- .413 In how many of the years reported in answer to question A (Section 63-405.411) did the applicant noncitizen, the applicant noncitizen's parents (up through the quarter the applicant noncitizen turned 18, including credits earned before the child was born) and/or spouse (for work performed during their marriage and the noncitizen remains married to such spouse or such spouse is deceased) earn money through work? If the answer is at least 10 years, or if the answer combined with the answer to question B (Section 63-405.412) is at least 10 years, then the earnings of the noncitizen whose eligibility is in question shall be verified before eligibility is established, except as specified in Section 63-405.112(g)(2). If the total is less than 10 years, then the applicant noncitizen shall be denied food stamps.

63-405 CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS
(Continued)

63-405

- .42 The preferred method of verifying qualifying credits of employment is through the Social Security Administration's (SSA's) automated system. However, the automated system may not always verify that the earnings requirement is met. If the noncitizen believes that the records provided by the automated system are incorrect, the CWD shall inform the noncitizen of the option of challenging SSA's records. The person whose work history is in question can visit the nearest SSA office and request a review to determine if the qualifying quarters are met. A document from SSA indicating that a determination of work credits is under review must be provided to the CWD. If for some reason the person whose work history is in question is unable or unwilling to appear in person to request an investigation of SSA's records, they can be requested for that person through the mail. A noncitizen disputing SSA's findings, and requesting a review through SSA's manual system, shall be allowed to participate until SSA completes its investigation, or for a maximum of six months from the date of the original determination of insufficient quarters.

All or part of the qualifying credits of employment may be verified by information provided by the household. The CWD shall accept employer-prepared wage statements, W-2 or W-2c forms, a copy of the federal or state income tax return, etc., as proof of earnings. The normal application processing time frames apply if the CWD is obtaining verification of work credits from the household.

- .43 After all the earnings are obtained for or on behalf of the noncitizen whose eligibility is in question, the CWD shall use the "ESTABLISHING QUARTERS" chart below to determine if the amount of earnings is sufficient to establish the required number of credits.

HANDBOOK BEGINS HERE

ESTABLISHING QUARTERS

The term Aquarter≡ means the 3 calendar month periods ending with March 31, June 30, September 30, and December 31 of any year.

Social Security credits (formerly called Aquarters of coverage≡) are earned by working at a job or as a self employed individual. A maximum of 4 credits can be earned each year.

HANDBOOK CONTINUES

63-405	CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS	63-405
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(Continued)

- .53** A noncitizen child who resides in the same household as a parent who has been abused:
- .531** In the U.S. by that parent=s spouse or by a member of the spouse=s family residing in the same household as the parent and the spouse consented or acquiesced to such battery or cruelty, but only if (in the opinion of the agency providing such benefits) there is a substantial connection between such battery or cruelty and the need for the benefits to be provided; and
- .532** Who meets a requirement as specified in Section 63-405.512.
- .54** These sections shall not apply to a noncitizen during any period in which the individual responsible for such abuse/battery or cruelty resides in the same household or family eligibility unit as the individual subjected to such abuse/battery or cruelty.

HANDBOOK BEGINS HERE

- .55** The following list includes, but is not limited to, circumstances which may demonstrate a substantial connection between the abuse/battery or extreme cruelty suffered by the applicant and the need for the benefit sought. A connection exists if the benefits are needed to enable the noncitizen, the noncitizen's child, and/or (in the case of a noncitizen child) the noncitizen's parent to:
- .551** Become self-sufficient following separation from the abuser;
- .552** Escape the abuser and/or the community in which the abuser lives, or ensure safety from the abuser;
- .553** Fulfill a financial need due to loss of financial support resulting from separation from the abuser;
- .554** Fulfill a financial need caused by the loss of a job because of the circumstances of the abuse;
- .555** Provide or seek medical attention or mental health counseling, or health services due to disability resulting from the battery or extreme cruelty;
- .556** Fulfill a financial need because of the loss of a dwelling or source of income or fear of the abuser which, following separation from the abuser, jeopardizes the applicants' or the parents' ability to care for his or her children;
- .557** Alleviate nutritional risk or need resulting from the abuse or following separation from the abuser;

HANDBOOK CONTINUES

63-405 (Cont.)	FOOD STAMP REGULATIONS ELIGIBILITY STANDARDS	Regulations
63-405	CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS (Continued)	63-405

HANDBOOK CONTINUES

- .558 Provide or seek medical care during a pregnancy resulting from the abuser's sexual assault or abuse of, or relationship with the abused noncitizen and/or care for any resulting children; or
- .559 Replace medical/health care services which were provided when living with the abuser.

HANDBOOK ENDS HERE

- .6 Other noncitizen provisions and procedures not superseded by Section 63-405 remain in effect.
- .7 Responsibilities of Sponsored Noncitizens

The sponsored noncitizen shall be responsible for the following:

- .71 Obtaining the cooperation of his/her sponsor.
- .72 Providing the CWD at the time of application and at the time of recertification with any information and/or documentation necessary to determine the deemed income and resources of the noncitizen's sponsor as specified in Section 63-503.49.
- .73 Providing the names (or other identifying factors) of other noncitizens for whom the noncitizen's sponsor has signed an agreement to support.
- .74 Reporting the required information about the sponsor and sponsor's spouse should the noncitizen obtain a different sponsor during the certification period and for reporting a change in income should the sponsor or the sponsor's spouse change or lose employment or die during the certification period. Such changes shall be handles in accordance with the timeliness standards and procedures described in Sections 63-505.3 and .5 as appropriate.

63-405	CITIZENSHIP OR ELIGIBLE NONCITIZEN STATUS	63-405
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(Continued)

.8 Reporting of Illegal Noncitizens

The CWD shall immediately inform the local INS office whenever personnel responsible for the certification or recertification of households discovers that an applicant or a household member is under an order of deportation. For purposes of this section, the term household member shall mean a person whose name appears on the application or other documents and who would have been a food stamp household member except for his/her noncitizen status. When any household member indicates inability or unwillingness to provide documentation of noncitizen status for any household member, that member shall be classified as an ineligible noncitizen. In such cases the CWD shall not continue efforts to obtain such documentation. The ineligible noncitizen's income and resources shall be available to the household as specified in Section 63-503.44. CWD disclosure to INS shall be deemed to be within the administration of the FSP as described in Section 63-201.3.

.81 For reporting purposes, reliable sources of information regarding orders of deportation shall be limited to:

.811 The noncitizen's or other household member's admission.

.812 Food stamp documents, as used in the application or reporting process; or,

.813 Presentation of INS documents showing that the noncitizen is under an order of deportation.

NOTE: Authority cited: Sections 10553, 10554, and 18904, Welfare and Institutions Code. Reference: Sections 10554 and 18904, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 273.2(f)(1)(ii)(B)(2), (j)(3) and (4); 7 CFR 273.4(a)(2), (a)(4)(ii) and (iii), (a)(5)(ii)(2)(B) and (2)(G)(1), (C), (E), (F) and (G)(1), (a)(8), and (c)(2)(i); 7 CFR 273.10(b); 7 CFR 273.6; 7 CFR 273.11; U.S.D.A. Food and Nutrition Service Administrative Notice (AN) 92-30; Federal Register, Vol. 56, No. 233, page 63594; Federal Register, Vol. 62, No. 202, dated October 20, 1997; Public Law (P.L.) 100-202 and 100-461, P.L. 104-193, Section 402 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); P.L. 105-185, Title V, Sections 503 through 510; AN 96-47; AN 96-48 (Part A, page 6); AN 96-55; AN 97-02; AN 97-13; AN 97-44; AN 97-82; AN 97-103; AN 97-107; AN 98-13; AN 98-21; AN 98-28; AN 98-30; AN 98-79; AN 98-93; AN 99-01; and AN 99-24.

63-406 STUDENTS

63-406

.1 Applicability.

.11 Any person who is age 18 through 49; physically and mentally fit for employment; and enrolled at least half-time, as defined by the institution, in an institution of higher education (as defined in Section 63-406.111(a)), shall be ineligible to participate in the Food Stamp Program unless that person complies with the eligibility requirements as specified in Section 63-406.2.

.111 To be considered a student at an institution of higher education, a person specified in Section 63-406.111(a)(1) needs only to be enrolled at least half-time; whereas a person specified in Section 63-406.111(a)(2) needs to be both enrolled at least half-time and enrolled in a regular curriculum. A regular curriculum at an institution of higher education means the standard requirements for graduation or certification/qualification in a particular field of study.

(a) An institution of higher education \equiv refers to:

(1) A business, trade, technical or vocational school at the post-high school level that normally requires a high school diploma or equivalency certificate for enrollment; or

(2) A junior, community, two-year or four-year college or university, or graduate school, regardless of whether a high school diploma or equivalency certificate is required.

(A) If a college normally requires a high school diploma or equivalency certificate, but does not require either of these for a particular program or course, enrollment in such a program or course does not constitute enrollment in an institution of higher education.

.12 Student eligibility requirements shall not apply to persons age 17 or under, persons age 50 or over, persons physically or mentally unfit for employment, persons attending high school, persons participating strictly in the job training portion of on-the-job-training programs as opposed to the class attendance portion, persons enrolled in an institution of higher education as specified in Section 63-406.111(a)(1) less than half-time, persons enrolled in a regular curriculum in an institution of higher education as specified in Sections 63-406.111 and 63-406.111(a)(2) less than half-time, or to persons enrolled full-time in schools and training programs which are not institutions of higher education.

.121 If mental or physical unfitness for employment is claimed and the unfitness is not evident to the CWD, verification shall be required. Appropriate verification may consist of receipt of temporary or permanent disability benefits issued by governmental or private sources, or a statement from a physician or licensed or certified psychologist.

63-501 RESOURCE DETERMINATIONS (Continued) 63-501

.3 Exclusions from Resources

In determining the resources of a household, only the following shall be excluded:

- (a) The home and surrounding property which is not separated from the home by intervening property owned by others. Public rights of way, such as roads which run through the surrounding property and separate it from the home, will not affect the exemption of the property. The home and surrounding property shall remain exempt when temporarily unoccupied for reasons of employment, training for future employment, illness, or uninhabitability caused by casualty or natural disaster, if the household intends to return. Households that currently do not own a home, but own or are purchasing a lot on which they intend to build or are building a permanent home, shall receive an exclusion for the value of the lot and, if it is partially completed, for the home.
- (b) Households goods, personal effects, including one burial plot per household member, the cash value of life insurance policies, the cash value of pension plans or funds, and Keogh plans which involve a contractual relationship with individuals who are not household members.
- (c) Licensed vehicles shall be excluded as specified in Section 63-501.52. The exclusions shall apply to:
 - (1) unlicensed vehicles on those Indian reservations that do not require vehicles driven by tribal members to be licensed;
 - (2) licensed vehicles used by ineligible noncitizens or disqualified persons whose resources are considered available to the household.
- (d) Resources with an equity value of \$1,500 or less, excluding financial instruments such as stocks, bonds and negotiable financial instruments.
- (e) Property which annually produces income consistent with its fair market value, even if only used on a seasonal basis. Such property shall include rental homes and vacation homes.

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HANDBOOK BEGINS HERE

To determine if property is producing income consistent with its fair market value, the CWD may contact local realtors, local tax assessors, the Small Business Administration, Farmer's Home Administration, or other similar sources. Newspaper classified advertisements can also be used as a resource.

All findings/determinations should be documented in the case file.

HANDBOOK ENDS HERE

- (f) Property which is essential to the employment or self-employment of a household member.

HANDBOOK BEGINS HERE

- (1) Property may be farmland or work-related equipment, such as the tools of a tradesman or the machinery of a farmer.

HANDBOOK ENDS HERE

- (2) Resources of a business that are identifiable, such as funds in a checking or savings account, whether maintained exclusively for business purposes or commingled with nonexcluded funds, shall be excluded from resources to the extent that the funds represent averaged self-employment income and the funds necessary to produce that income, for the period of time over which the funds have been averaged as specified in Section 63-503.412.

HANDBOOK BEGINS HERE

(A) For example:

A farmer receives gross income of \$4500 from the sale of his crop. This money is deposited into his joint business/personal checking account which already contains \$500 in personal funds. The personal funds are an includable resource for food stamps because they are not essential to the farmer's business. The \$4500 is not includable as a resource for two reasons. First, the gross amount less expenses of \$1500 has already been counted as income in accordance with Section 63-503.41. \$250 has been determined as the monthly average of the net annual income, \$3000 (\$3000 divided by 12 months). Secondly, the money is essential to the farmer's business.

HANDBOOK ENDS HERE

- (3) When a household member ceases to be self-employed in farming, property which was essential to this self-employment will continue to be excluded as a resource for a period of one year from the date of termination.
- (g) Installment contracts for the sale of land or buildings if the contract or agreement is producing income consistent with its fair market value. The exclusion shall also apply to the value of the property sold under the installment contract, or held as security in exchange for a purchase price consistent with the fair market value of that property.

The full value of trust deeds and notes receivable shall be considered exempt liquid resources provided that the household receives income from the trust deed or note receivable that is consistent with its fair market value. The interest portion of the repayment of these transactions shall be counted as unearned income to the household in accordance with Section 63-502.125. The principal portion of the repayment shall be treated as a nonexcluded resource and added to the household's resource level. If the payments are for interest only, then it shall be determined whether that amount represents an appropriate rate of return on the transaction.

63-501 RESOURCE DETERMINATIONS (Continued)**63-501**

If the CWD determines the rate of return is not consistent with interest rates normally charged in similar business transactions, then the resource shall not be exempted. Installment contracts, trust deeds, and notes receivable shall lose their exempt status when sold.

(h) Any governmental payments which are designated for the restoration of a home damaged in a disaster, if the household is subject to a legal sanction if the funds are not used as intended. Such payments shall not be limited to those made by the Department of Housing and Urban Development through the individual and family grant program, disaster loans, or grants made by the Small Business Administration.

(i) Resources which have a cash value that is not accessible to the household, such as, but not limited to:

(1) Irrevocable trust funds.

Any funds in a trust or transferred to a trust, and the income produced by that trust, shall be considered inaccessible to the household if all of the following are met:

(A) The trustee administering the funds is either:

1. A court, or an institution, corporation or organization which is not under the direction or ownership of any household member; or,
2. An individual appointed by the court who has court imposed limitations placed on his/her use of the funds which meet the requirements of Section 63-501.3(h);

(B) The funds held in irrevocable trust are either:

1. Established from the household's own funds if the trustee uses the funds solely to make investments on behalf of the trust or to pay the educational or medical expenses of any person named by the household creating the trust; or,
2. Established from non-household funds by a non-household member regardless of how these funds will be used;

(C) The trust investments do not directly involve or assist any business or corporation under the control, direction or influence of a household member;

(D) The trust arrangement will not likely cease during the certification period; and,

(E) No household member has the power to revoke the trust arrangement or change the name of the beneficiary during the certification period.

63-501	RESOURCE DETERMINATIONS (Continued)	63-501
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- (2) Security deposits on rental property or utilities,
- (3) Property in probate,
- (4) Real property which the household is making a good faith effort to sell at a reasonable price and which has not been sold, and
- (5) Property, other than financial instruments (stocks, bonds, legally binding promissory notes, etc.) or vehicles, which if sold or otherwise disposed would be unlikely to produce less than \$1,500.
 - (A) Repealed by CDSS Manual Letter No. FS-01-02, effective 6/1/01.
 - (B) Repealed by CDSS Manual Letter No. FS-01-02, effective 6/1/01.

HANDBOOK BEGINS HERE

Example (1): A household has inherited a 1/8 interest in a timeshare. The property is not in probate as specified in Section 63-501.3(h)(3), nor has there been an attempt to sell it as specified in Section 63-501.3(h)(4). The estimated value (by an appraiser) is \$10,000. The cost of selling the timeshare is \$1000. The household's 1/8 share of the timeshare is valued at \$1250 minus 1/8 of the cost to sell, \$125. The net share of \$1125 is \$125 over one-half the resource limit of \$2000. Therefore, since the net value of the property to the household is greater than one-half the resource limit for the household, the full amount, \$1125, is countable in the resource determination for the household.

Example (2): The estimated value (by the appraiser) of the property indicated in Example (1) is \$10,000. However, the cost of selling the timeshare is \$2200. The household's 1/8 share of the timeshare is valued at \$1250 minus 1/8 of the cost to sell, \$275. The net share of \$975 is \$25 less than one-half the resource limit of \$2000. Therefore, since the net value of the property to the household is less than one-half the resource limit for the household, the full amount of the net value, \$975, is excluded in the resource determination for the household.

HANDBOOK ENDS HERE

63-501	RESOURCE DETERMINATIONS (Continued)	63-501
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- (6) If information is questionable, as defined in Section 63-300.53, verification shall be obtained through a collateral contact or documentation.

- (j) Resources, such as those of students or self-employed persons, which have been prorated as income. (See Section 63-503.212(b) on determining and averaging income and Section 63-503.41 on the treatment of self-employment income.)
 - (1) Where an exclusion applies to the use of a resource by or for a household member, the exclusion shall also apply to the use of a resource by or for an ineligible alien or a disqualified person whose resources are considered available to the household.

- (k) Resources and/or income of Native Americans and Alaska Natives as specified in Section 63-506.

- (l) Resources and/or income that are specifically excluded for food stamp purposes by any other federal statute as specified in Section 63-507.

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63-501 RESOURCE DETERMINATIONS (Continued) 63-501

- (m) Earned Income Tax Credits (EITC) payments shall be excluded as follows:
- (1) A federal EITC payment received either as a lump sum or as payments under Section 3507 of the Internal Revenue Code for the month of receipt and the following month for the individual and that individual's spouse.
 - (2) 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.
 - (3) The following provisions apply to both Sections 63-501.3(l)(1) and (2).
 - (A) If the pay stub does not indicate an EITC advance payment was received, no further action is required.
 - (B) If it is unclear from the pay stub what amount of EITC advance payment the recipient received, the CWD shall obtain clarification from the recipient and contact the employer if necessary to obtain the amount.
- (n) At the time of application, any resources of a woman or women with children who are temporarily residing in a shelter for battered women and children shall be considered inaccessible if;

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63-501	RESOURCE DETERMINATIONS (Continued)	63-501
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- (1) the resources are jointly owned by the resident and member(s) of the former household from which the resident fled, and
 - (2) the resident's access to such resources requires the consent of both the resident and the member(s) of the former household.
- (o) Non-liquid asset(s) against which a lien has been placed as a result of taking out a business loan and the household is prohibited by the security or lien agreement with the lien holder (creditor) from selling the asset(s).
- (p) Resources of any household member receiving PA. If a resource is jointly held by a Food Stamp household member who is receiving PA and a Food Stamp household member who is not receiving PA, then exclude the amount that was counted in determining the PA eligibility.
- (q) Property, real or personal, to the extent that it is directly related to the maintenance or use of a vehicle excluded under Sections 63-501.521(a), (b) or (f). Only that portion of real property determined necessary for maintenance or use is excludable under this provision.

HANDBOOK BEGINS HERE

- (1) For example, a household which owns a produce truck to earn its livelihood may be prohibited from parking the truck in a residential area. The household may own a 100-acre field and use a quarteracre of the field to park and/or service the truck. Only the value of the quarteracre would be excludable under this provision, not the entire 100-acre field.

HANDBOOK ENDS HERE

.4 Handling of Excluded Funds

- .41 Excluded funds that are kept in a separate account, and that are not commingled in an account with nonexcluded funds, shall retain their resource exclusion for an unlimited period of time.

63-501 RESOURCE DETERMINATIONS (Continued) 63-501

- .42 Resources of students and self-employed household members which are excluded in accordance with Section 63-501.3(i) and are commingled in an account with nonexcluded funds, shall retain their exclusion only for the period of time over which they have been prorated as income.
- .43 All other funds excluded as resources which are commingled in an account with nonexcluded funds shall retain their exemption only for six months from the date they are commingled. After six months from the date of commingling, all funds in the commingled account shall be counted as a resource.

.5 Resource Values

The value of nonexcluded resources, except licensed vehicles as specified in Sections 63-501.52 and .53, shall be their equity value. The equity value is the fair market value less encumbrances.

- .51 Fair Market Value of Vehicles.

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63-501	RESOURCE DETERMINATIONS (Continued)	63-501
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- (e) Necessary to transport a physically disabled household member, including an excluded disabled household member regardless of the purpose of such transportation.
 - (1) If the physical disability of the individual is not evident to the eligibility worker, verification shall be required.
 - (2) The individual shall be required to provide a statement from a physician certifying that the individual is physically disabled. The disability may be temporary or permanent.
 - (3) There shall be a limit of one vehicle per physically disabled household member.
 - (4) The vehicle need not have special equipment or be used primarily by or for the transportation of the physically disabled household member. However, a vehicle shall be considered necessary for the transportation of a physically disabled household member if the vehicle is specially equipped to meet the specific needs of the disabled person or if the vehicle is a special type of vehicle that makes it possible to transport the disabled person.
- (f) The exclusions in (a) through (d) of this section will apply when the vehicle is not in use because of temporary unemployment, such as when a taxi driver is ill and cannot work, or when a fishing boat is frozen in and cannot be used.
- (g) Previously used by a self-employed household member engaged in farming but not longer used over 50 percent of the time in farming because the household member has terminated his/her self-employment from farming. The vehicle shall continue to be excluded as a resource for a period of one year from the date of termination.
- (h) If the household depends upon the vehicle to carry fuel for heating or water for home use, when such transported fuel or water is the primary source of fuel or water for the household.
- (i) Considered an inaccessible resource because its equity value is \$1,500 or less.

63-501 RESOURCE DETERMINATIONS (Continued)**63-501**

- .522 All licensed vehicles not excluded under Section 63-501.521 shall individually be evaluated for fair market value and that portion of the value which exceeds the current vehicle exclusion limit, as specified in Section 63-501.522(a), shall be attributed in full toward the household's resource level, regardless of any encumbrances on the vehicles. Any value in excess of the current vehicle exclusion limit shall be attributed to the household's resource level, regardless of the amount of the household's investment in the vehicle, and regardless of whether or not the vehicle is used to transport household members to and from employment. Each vehicle shall be appraised individually. The fair market values of two or more vehicles shall not be added together to reach a total fair market value in excess of the current vehicle exclusion limit.
- (a) For example, a household owning an automobile with a fair market value of \$5,500 shall have the current vehicle exclusion limit (\$4,650 as of October, 1996) excluded and \$850 applied toward its resource level.
- .523 Licensed vehicles shall also be evaluated for their equity value, except for:
- (a) Vehicles excluded by Section 63-501.521.
- (b) One licensed vehicle per **adult** household **member**, regardless of the **use**.

63-501 RESOURCE DETERMINATIONS (Continued) 63-501

- (c) Any other licensed vehicle driven by a household member under 18 years of age to go to work, school, job training, or to look for work.
- .524 In the event a licensed vehicle is assigned both a fair market value in excess of the vehicle exclusion limit as specified in Section 63-501.522(a) and an equity value, only the greater of the two amounts shall be counted as a resource.

HANDBOOK BEGINS HERE

- (a) When computing the value of a licensed vehicle which has not been totally excluded or is not equity exempt, determine both the FMV and the equity value of the vehicle. The larger of the two values is considered the resource value and counted in the resource limit.

Example: The greater of the two amounts is counted as a resource.

Computation of FMV		Computation of Equity Value	
\$5,000	FMV	\$5,000	FMV
-4,650	Exclusion Limit	-3,250	Amount Owed
\$ 350	Excess FMV	\$1,750	Equity Value

The amount to be considered as a resource is \$1,750.

HANDBOOK ENDS HERE

63-501	RESOURCE DETERMINATIONS (Continued)	63-501
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.525 Determining Value of Vehicles

Step One

Determine if any licensed vehicles in the household are excludable as a resource. Vehicles in this category include those that are:

1. Income producing;
2. Annually producing income consistent with FMV;
3. Necessary to employment other than daily commuting, e.g., traveling salesman;
4. Used as a home;
5. Used to transport a physically disabled household member;
6. Previously used as income producing by household member self-employed in farming. Exclude for one year period from date of termination of self-employment in farming.
7. Household depends on vehicle to carry fuel for heating or water for home use when such fuel or water is the primary source of fuel or water for the household.

If none of the vehicles in the household are categorized as excludable from resource consideration, or there are remaining vehicles left to be evaluated after others have been determined excludable, go to Step 2.

Step Two

Exclude any vehicle, licensed or unlicensed, that is an inaccessible resource (a vehicle that will not produce an estimated return of more than \$1,500). Valuation of an inaccessible vehicle is required at application and when a new vehicle is reported. Reevaluation is required only at recertification.

Step Three

Of the remaining licensed vehicles, determine the number of adult household members and exempt one vehicle each from the equity valuation. The FMV must be calculated, and the excess FMV is considered as a countable resource.

Then, determine if any of the remaining licensed vehicles in the household are used by a teenager under age 18 to drive to work, school, job training, or to look for work. If there is a vehicle used by a teenager for any of these purposes, it is exempt from the equity value, but must be evaluated for FMV. The excess FMV is considered a countable resource.

Step Four

For any remaining licensed vehicles, compute the FMV and the equity value. Use the greater of the excess FMV or equity value as the countable resource value.

63-501 RESOURCE DETERMINATIONS (Continued) 63-501

Step Five

For unlicensed vehicles compute the equity value of each and use the resultant amount as a countable resource value.

Add the values of the above resource values to arrive at the total vehicle resource value.

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63-501 RESOURCE DETERMINATIONS (Continued) 63-501

.53 Handling of Unlicensed Vehicles

Unlicensed vehicles not excluded by Section 63-501.3(c), (d), and (e), and except those on Indian reservations as specified in Section 63-501.52 shall be evaluated for equity value only. The equity value shall be attributed toward the household's total resources. **Unlicensed vehicles with an equity value of \$1,500 or less are inaccessible resources.**

.6 Transfer of Resources

.61 At the time of application, households shall be asked to provide information regarding any resources which any household member or ineligible alien or disqualified person whose resources are considered available to the household has transferred within the three-month period immediately preceding the date of application. Households which have transferred resources knowingly for the purpose of qualifying or attempting to qualify for food stamp benefits shall be disqualified from participation in the program for up to one year from the date of the discovery of the transfer. This disqualification period shall be applied if the resources are transferred knowingly in the three-month period prior to application or if they are transferred knowingly after the household is determined eligible for benefits.

.62 Eligibility for the program shall not be affected by the following transfers:

.621 Resources which would not otherwise affect eligibility, for example, resources consisting of excluded personal property such as furniture or of money that, when added to other nonexempt household resources, totaled less at the time of the transfer than the allowable resource limits;

.622 Resources which are sold or traded at, or near, fair market value;

.623 Resources which are transferred between members of the same household; including ineligible aliens or disqualified persons whose resources are considered available to the household;

.624 Resources which are transferred for reasons other than qualifying or attempting to qualify for food stamp benefits, for example, a parent placing funds into an educational trust fund described in Section 63-501.3(h).

63-501 RESOURCE DETERMINATIONS (Continued) 63-501

.65 A transfer of assets to qualify for the Program shall not be treated as a fraudulent action in and of itself. However, concealment and misrepresentation of the assets transfer shall constitute fraud and shall be subject to the intentional Program violation provisions of Section 63-805.

.7 Resources of Nonhousehold Members

The resources of nonhousehold members, as defined in Section 63-402.21, shall be handled in accordance with Section 63-503.45.

.8 Resources of Excluded Household Members

The resources of excluded household members, as defined in Sections 63-402.221, .222, .223, and .224, shall be handled in accordance with Section 63-503.44. The income and resources of excluded household members, as defined in Sections 63-402.225, .226, and .227, shall be handled in accordance with Section 63-503.45.

NOTE: Authority cited: Sections 10553, 10554, 11209, and 18904, Welfare and Institutions Code. Reference: Sections 10554, 18901, and 18904, 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); 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); 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; and P.L. 104-193, Sections 810 and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996).

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63-502	INCOME, EXCLUSIONS AND DEDUCTIONS	63-502
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.1 Income Definition

.11 Gross income shall include:

- .111 All income from whatever source, except as specified in Section 63-502.12 and excluding only those items in Section 63-502.2.
- .112 All earned income as specified in Section 63-502.13 and all unearned income as specified in Section 63-502.14.

.12 Income shall not include the following:

- .121 Monies withheld from an assistance payment, earned income, or other income source, or monies received from any income source which are voluntarily or involuntarily returned, to repay a prior overpayment received from that income source, provided that the overpayment was not excludable under Section 63-502.2, or due to the household=s failure to comply as specified in Section 63-502.17.
- .122 Child support payments received by AFDC recipients, directly from a nonhousehold member, which must be transferred to the District Attorney's office or other county agency administering Title IV-D (Child Support Requirements) of the Social Security Act, to maintain AFDC eligibility.

63-502	INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)	63-502
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- .13 Earned income shall include:
- .131 All wages and salaries of an employee.
 - .132 The gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, excluding the costs of doing business as provided in Sections 63-502.2 and 63-503.415(d).
 - (a) Ownership of rental property shall be considered as self-employment enterprise; however, income derived from the rental property shall be considered earned income only if a member of the household is actively engaged in the management of the property at least an average of 20 hours a week.
 - (b) Payments from a roomer or boarder, except foster care boarders as specified in Section 63-402.322 shall also be considered self-employment income.
 - .133 Training allowances from vocational and rehabilitation programs recognized by federal, state, or local governments, to the extent they are not a reimbursement.
 - .134 Payments to volunteers under Title I (VISTA) of the Domestic Volunteer Service Act excluding payments made to households specified in Section 63-502.2 who at the time they joined VISTA, were not receiving public assistance or food stamps.
 - .135 Earnings of individuals who are participating in on-the-job training programs under Section 204(b)(1)(C) or Section 264(c)(1)(A) of the Workforce Investment Act except as specified in Section 63-502.2(j)(1), or Title I of the National and Community Services Act (NCSA) of 1990, except as specified in Sections 63-507(a)(4) and (a)(17)(A). The NCSA includes programs under the Serve America, American Conservation and Youth Corps, and National and Community Service subtitles.
 - .136 Any portion of strikers' benefits which are received as compensation for picketing.
 - .137 Work study income which has not been excluded by federal statute, as specified in Section 63-502.2(l)(4), or through application of allowable exclusions as specified in Section 63-502.2(e).
- .14 Unearned income shall include, but not be limited to:
- .141 Assistance payments from Aid to Families with Dependent Children (AFDC), General Assistance/General Relief (GA/GR), Refugee Cash Assistance (RCA), Entrant Cash Assistance (ECA), or other assistance programs based on need except as specified in Section 63-501.111.

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued) 63-502

- (2) A GA/GR vendor payment shall not be counted as income to the household, except if the payment is for housing or energy assistance. However, any portion of the GA/GR vendor payment for housing or energy assistance that is over and above the normal GA/GR grant would be considered emergency or special assistance, as specified in Sections 63-502.2(b)(2)(E) and 63-502.2(b)(3), and shall be excluded as income.

An AFDC, RCA, or ECA payment shall be considered an excludable vendor payment and not counted as income to the household if that payment is for:

- (A) Medical assistance;
- (B) Child care assistance;
- (C) Housing assistance payments made through a state or local housing authority; or
- (D) Emergency assistance provided to a third party on behalf of a migrant or seasonal farmworker household during the period household is in the job stream.

HANDBOOK BEGINS HERE

- 1. This assistance may include, but is not limited to, emergency vendor payments for housing or transportation.

HANDBOOK ENDS HERE

- (E) Emergency or special assistance (as specified in Section 63-502.2(b)(3)).

- (F) Energy assistance as follows:

- (1) Any payment or allowances made for the purpose of providing energy assistance under any federal law other than Part A of Title IV of the Social Security Act (42 U.S.C. 601 et seq.), including utility reimbursements made by the Department of Housing and Urban Development and the Rural Housing Service, or
- (2) A one-time payment or allowance applied for on an as-needed basis and made under a federal or state law for the cost of weatherization or emergency repair as replacement of an unsafe or inoperative furnace or other heating or cooling device.

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HANDBOOK BEGINS HERE

A down payment followed by a final payment upon completion of the work is considered a one-time payment.

HANDBOOK ENDS HERE

- (3) All or part of an AFDC, GA/GR, RCA, or ECA grant which would normally be provided in a money payment to the household, but which is diverted to third parties or to a protective payee for purposes such as managing a household's expenses, shall be considered income to the household, except as specified in Section 63-502.2(b)(2). However, any payment by the CWD that would not normally be provided in a money payment to the household, and that is over and above the normal AFDC, GA/GR, RCA, or ECA grant, would be considered emergency or special assistance and shall be excluded as income if it is made directly to a third party for a household expense.

HANDBOOK BEGINS HERE

If it is not clear that a certain type of AFDC, GA/GR, RCA, or ECA vendor payment is covered under this general exclusion policy, the CWD may apply, in writing, through SDSS to the FNS Regional Office for a determination of whether these vendor payments, that the CWD believes are provided for emergency or special circumstances, should be excluded.

HANDBOOK ENDS HERE

- (4) Deferred educational loans, grants, scholarships, fellowships, veterans' educational benefits, and the like, are legally obligated to the household and therefore are not vendor payments.

63-502	INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)	63-502
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- (c) Cash donations received from one or more private, nonprofit charitable organizations of not more than \$300 in a calendar quarter i.e. January-March, April-June, July-September, October-December.

HANDBOOK BEGINS HERE

- (1) For example, in a calendar quarter January through March, the household received \$100 in January, \$100 in February and \$200 in March, for a total of \$400 from two private nonprofit charitable organizations. The \$100 in January, \$100 in February and \$100 of the \$200 in March will be excluded for a total of \$300 which can be excluded under this provision. The remaining \$100 received in March will be counted as income to the household.

HANDBOOK ENDS HERE

- (d) Any prospectively budgeted income in the certification period which is received too infrequently or irregularly to be reasonably anticipated, but not in excess of \$30 in a quarter.
- (e) Educational assistance not otherwise excluded by federal statute as specified in Section 63-507(a)(6), to the extent that it is either earmarked by the lender, used for, or intended to be used for, allowable educational expenses at qualifying institutions as specified in Section 63-502.2(e)(3).

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued) 63-502

- (2) The following shall not be considered a reimbursement excludable under this provision:
- (A) Portions of benefits provided under Title IV-A of the Social Security Act for work-related or child care expenses when adjustments have been made to the PA payments, except for such expenses made under an employment, education or training program initiated under Title IV-A after September 19, 1988.
 - (B) Clothing allowances specified in Section 63-502.2(g)(1)(F) if the monthly AFDC grant is reduced by the amount of the allowance during the month in which the allowance is provided.

63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)

63-502

- (h) Monies received and used for the care and maintenance of a third-party beneficiary who is not a household member. If the intended beneficiaries of a single payment are both household and nonhousehold members, any identifiable portion of the payment intended and used for the care and maintenance of the nonhousehold member shall be excluded. If the nonhousehold member's portion cannot be readily identified, the payment shall be evenly prorated among the intended beneficiaries and the exclusion applied to the nonhousehold member's pro rata share or the amount actually used for the nonhousehold member's care and maintenance, whichever is less.
- (i) The earned income (as defined in Section 63-502.13) of children who are members of the household, who are elementary or secondary school students at least half time, and who attained their 18th birthday during the certification period, shall be excluded until the month following the month in which the student turned 18. If the student becomes 18 during an application month, the income is excluded in the month of application and counted in the following month except as specified in Section 63-507(a)(4)(A). The exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break. If the child's earnings or amount of work performed cannot be differentiated from that of other household members, the total earnings shall be prorated equally among the working members and the child's pro rata share shall be excluded. Individuals are considered children for purposes of this provision if they are under the parental control, as defined in Section 63-102(p)(1), of another household member.
- (1) Earnings to household members under 19 years of age who are participating in on-the-job training programs under Section 204(b)(1)(C) or 264(c)(1)(A) of the Workforce Investment Act.
- (j) Money received in the form of a nonrecurring lump-sum payment, including, but not limited to, income tax refunds, rebates, or credits; retroactive lump-sum social security, railroad retirement benefits, or other payments; retroactive payments from the approval of an application for any assistance program; AFDC homeless assistance payments for temporary shelter or permanent housing [see Section 63-102(h)]; court ordered retroactive payments for any assistance program; supplemental or corrective payments received for a previous month from any assistance program; lump-sum insurance settlements; or refunds of security deposits on rental property or utilities. These payments shall be counted as resources in the month received, in accordance with Section 63-501.111 unless specifically excluded from consideration as a resource by other federal laws as specified in Section 63-501.3(l), Section 63-506 or Section 63-507.
- (1) TANF payments made to divert a family from becoming dependent on welfare shall be excluded as a nonrecurring lump-sum payment if the payment is not defined as assistance because of the exception for nonrecurrent short-term benefits in 45 CFR 261.31(b)(1).
- (k) The cost of producing self-employment income. The procedures for computing the cost of producing self-employment income are specified in Section 63-503.415.

63-502	INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)	63-502
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.342 If the Food Stamp eligible household member(s) shares dependent care costs with others, the household's deduction amount shall be determined as specified in Section 63-502.36.

.35 Homeless Shelter Deduction

.351 The homeless shelter deduction is available to homeless households who are not receiving free shelter for the entire month, fiscal or calendar, depending on the county's issuance cycle. If the homeless shelter deduction is used, separate utility costs are not allowed, since this allowance includes a utility cost component.

.352 If a homeless shelter deduction is allowed, an excess shelter deduction computation is not computed per Section 63-503.311(h).

.353 All homeless households which incur, or reasonably expect to incur, shelter costs during a month shall be eligible to use the homeless shelter deduction without providing verification of the shelter costs. Higher shelter costs may be used if verification is provided.

.354 Homeless households which do not incur shelter costs during the month shall not be eligible for the homeless shelter deduction.

.36 Excess Shelter Deduction

The excess shelter deduction is monthly shelter costs in excess of 50 percent of the household's income after all other applicable deductions in Sections 63-502.31, .32, .33 and .34 have been allowed. The excess shelter deduction shall not exceed the current maximum, unless the household contains a member who is elderly or disabled as defined in Section 63-102(e).

.361 If the Food Stamp eligible household member(s) shares shelter costs with others, the household's deduction amount shall be determined as specified in Section 63-502.37.

.362 Shelter costs shall include only the following:

(a) If actual verified homeless shelter costs are higher than the homeless shelter deduction, the actual cost may be used as a housing cost instead of a homeless shelter deduction and utility costs may be claimed.

(b) Continuing costs for the shelter occupied by the household, including rent, mortgage, or other continuing costs leading to the ownership of the shelter such as loan repayments for the purchase of a mobile home, including interests on such payments. One-time deposits, such as security deposits, shall not be included as shelter costs.

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63-502 INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)**63-502**

- (b) A standard telephone allowance of \$20 shall be used only in instances where the household has a telephone, or in its absence, an equivalent form of communication and is not entitled to the SUA. If the household's actual telephone service fee is greater than the standard allowance, and it represents the lowest available rate to the household, the household may request to have the actual service fee used. The household must be able to verify the actual cost claimed. Failure to have a telephone will not preclude use of the full SUA.
- (c) Except as provided in Section 63-502.363(b), the household entitled to the SUA shall be advised at initial certification, recertification and when a household moves that it may, instead of using the SUA, deduct its total actual utility costs if the household can verify these costs. Households certified for 24 months may also choose to switch between standard and actual costs at the time of the mandatory interim contact.
- (d) The SUA for food stamp households shall be adjusted annually by SDSS to reflect increases or decreases in the cost-of-living occurring after June, 1982. The first such adjustment becomes effective January 1, 1983 and subsequent adjustments shall take effect each January 1 through September 30, 1994. The SUA annual adjustments shall take effect each October 1, beginning October 1, 1994.
- (1) The cost-of-living shall be calculated by CDSS based on the weighted average of the Fuel and Other Utilities Index of the Consumer Price Index for All Urban Consumers (CPI-U), when published by the U.S. Department of Labor, Bureau of Labor Statistics for Los Angeles-Long Beach-Anaheim and San Francisco-Oakland. The weighting factor for each area is as used by the State Department of Industrial Relations to calculate the California Consumer Price Index (CCPI).
- (2) The percentage change to be determined shall be for a 12-month period ending with March of the same year for which the cost-of-living adjustment will take effect. The SUA in effect during the month of October preceding the calendar year in which the adjustment is to take place will be increased/decreased by the 12-month percentage change, with the resulting SUA to be rounded to the nearest dollar. The result shall constitute the new SUA (see Handbook Section 63-1101.26).
- (e) When the SUA is revised due to the annual adjustments, it shall be applied to all households on the effective date of the revised SUA (see Handbook Section 63-1101.26). The change to the new SUA shall not be considered a switch from the actual amounts to the SUA for purposes of Section 63-502.352(c).

63-502	INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)	63-502
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.37 Shared Living Expense Deductions

Shared living expenses include allowable shelter, utility and/or dependent care expenses which the Food Stamp eligible household member(s) shares with an excluded/ineligible household member(s) or another household which may or may not be participating in the Food Stamp Program.

.371 Treatment of Separate Households

The food stamp household may live with another household(s) which may or may not participate in the Food Stamp Program. If these households share shelter and/or utility expenses, the CWD will either allow actual expenses for each household or allow actual shelter expenses and divide the standard utility allowance equally by the number of the households contributing to the expense.

- (a) Under no circumstance is the total amount of utility costs used to determine the amount of the deduction to exceed the total amount of the actual utility costs or SUA for the residence.
- (b) For the food stamp household(s), the CWD shall use the household's share of utility expense to then determine the Food Stamp household's utility deduction and the household's actual shelter expense to determine the shelter deduction, based on its household composition.
- (c) When the food stamp household contains excluded members, refer to Sections 63-502.362, .363 and .364 to determine the allowable deduction.

63-502	INCOME, EXCLUSIONS AND DEDUCTIONS (Continued)	63-502
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.386 Amounts paid toward arrearages shall be deductible.

NOTE: Authority cited: Sections 10553, 10554, 11209, 18900, 18901 and 18904, Welfare and Institutions Code. Reference: Sections 10554, 18901, and 18904, Welfare and Institutions Code; Public Law (P.L.) 99-603, Section 201(a), Section 245A(h)(1)(A)(iii), Immigration Reform and Control Act; 100-50, Sections 22(e)(4) and 14(27), enacted June 3, 1987; P.L. 100-77; P.L. 101-201; P.L. 101-508, Section 11111(b); P.L. 103-66, Section 5(c), (d) and (e) and Section 8(a); 7 Code of Federal Regulations (CFR) 271.2; 7 CFR 273.1(c)(6); 7 CFR 273.7(f); 7 CFR 273.9; 7 CFR 273.9(b)(1), (b)(1)(v), (c), (c)(1)(i)(E), and proposed amended (c)(1)(ii) as published in the Federal Register, Vol. 59, No. 167, on August 30, 1994; (c)(1)(ii)(G), (c)(8), (c)(11)(i) and (ii), (d), (d)(6), and proposed (d)(7) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, 7 CFR 273.10(d)(1)(i) and (e)(1)(i)(H); 7 CFR 273.11(b)(1); 7 CFR 273.11(c), (d) and (d)(1) and (e); 7 CFR 273.21(j)(1)(vii)(A); 7 United States Code (U.S.C.) 2014(c), (d), (e), (k)(1)(B), and (k)(2)(F); 7 U.S.C. 2015(e); 7 U.S.C. 2017(a); 20 U.S.C. 2466d.; 26 U.S.C. 32(j)(5); P.L. 104-193, Sections 807, 808, 809, 811, and 829 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal Feb. 1, 1990) [Dock. No. CV-89-0768].); United States Department of Agriculture (U.S.D.A.) Food and Consumer Services (FCS) Administrative Notice (AN) 88-40, Indexed Policy Memo 88-10, dated April 20, 1988; U.S.D.A., FNS ANs 91-24, 91-30, 94-39, 94-41, dated April 19, 1994; and the July 8, 1988 district court order in Hamilton v. Lyng.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503**.1 Month of Application**

.11 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 (Strikers), 63-408 (Voluntary Quit), 63-501.6 (Resource Transfers), 63-503.212 (Income Determinations), and 63-503.43 (Destitute Households), and 63-301.7 and .82 (Categorically Eligible Households).

.12 A calendar month shall be used for certification and issuance purposes. However, a CWD may, with prior SDSS and FNS approval, use a fiscal month if the CWD determines that it is more efficient and satisfies SDSS that the accounting procedures fully comply with certification and issuance requirements contained in these regulations. A CWD may elect to use either one fiscal month for all households, or more than one fiscal month with varying beginning dates based on the date a household files an application.

.13 A household's benefit level for a) the initial month of certification, or b) the first month for which the household is certified for participation in the Food Stamp Program following any period during which the household was not certified for participation, shall be prorated from the date the application is received in the appropriate office. However, if processing of the application was delayed beyond 30 days due to the fault of the household, the benefit level shall be prorated from the date the CWD received verification that the household completed the required action, as specified in Section 63-301.423. Migrant and seasonal farm worker households which have a break in participation of 30 days or less shall not have their benefits prorated. They shall receive benefits for the whole month.

.131 Using a calendar or fiscal month, households shall receive benefits prorated from the date of application to the end of the month, except as specified in Section 63-503.13. The CWDs shall either:

(a) Refer to Handbook Section 63-1101 for Reciprocal Table for computing first month benefits, or

(b) Use the following formula:

$$\begin{array}{rcl} \text{full month's} & & \text{(number of days in month +1} \\ \text{benefits} & \text{X} & \text{- date of application)} \\ & & \text{number of days in month} \end{array} = \text{allotment}$$

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (a) For reimbursable medical expenses, or for those that the nonreimbursable portion is known or can be determined at the time of the billing, the period of deduction and past due expenses are established as follows:
 - (1) If the billing period is specified on the bill, a deduction shall be allowed until the final day in the month that the bill becomes due.
 - (2) If no billing period is specified, the bill is considered to become due one month after the date of the bill. A deduction shall be allowed until the final day in the month following the month the bill was issued.

(b) When an eligible household member presents a medical bill, other than for hospital expenses, the amount of the household's allowable medical cost shall be determined in the following manner:

- (1) Insured (Reimbursable) Medical Expenses
 - (A) When the bill is submitted and the eligible household member is covered by Medicare or Blue Cross/Blue Shield, or private insurance company, 20 percent of the total bill shall be the household's medical cost.
 - (B) When the bill is submitted and the eligible household member is covered by Medi-Cal, the share of cost shown on the member's latest MC 177-SA-M, or the doctor's bill, whichever is less, shall be the household's medical cost.

(2) Uninsured (Nonreimbursable) Medical Expenses

The total amount of the uninsured medical expenses incurred by an eligible household member and verified, in accordance with Section 63-300.51(g), is the amount of the household's medical cost. If a Medi-Cal bill is submitted for an allowable medical expense incurred, but not covered by Medi-Cal, the full amount billed shall be the household's medical cost regardless of the member's share of cost.

(c) Hospital Bills

The total amount of the nonreimbursable portion of the medical expense shown on the final bill (not the preliminary statement) as due and payable by the eligible household member shall be the household's medical cost.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (d) Eligible household members who have coverage by more than one health insurance policy (except for Medi-Cal/Medicare and Blue Cross/Blue Shield) shall receive the medical deduction only after all reimbursements and/or payments have been received or verified.

.252 Averaging Expenses

All households may elect to have fluctuating expenses or payments for the child support deduction averaged. Households may also elect to have expenses which are billed less often than monthly averaged forward over the interval between scheduled billings, or, if there is no scheduled interval, averaged forward over the period the expenses are intended to cover (such as local property taxes and fire insurance). (See Section 63-502.352.) The household may elect to have one-time only expenses averaged over the entire certification period in which they are billed.

- (a) Households reporting medical expenses, as specified in Section 63-502.331, during their certification period, with no specified payment schedule, may elect to have a one-time only deduction or to have the expense averaged over the remaining months of their certification period. Averaging would begin in the month the change becomes effective and only the amount in excess of that specified in Handbook Section 63-1101.25 shall be deducted each month.
- (1) Households certified for 24 months that report a one-time medical expense during the first 12 months of the certification period have the option to:
- (A) Deduct the expense for one month; or
 - (B) Average the expense over the remaining first 12 months of the certification period; or
 - (C) Average the expense over the remaining months in the certification period.
- (2) Households certified for 24 months that report a one-time medical expense after the 12th month of the certification period has an option to:
- (A) Deduct the expense for one month; or
 - (B) Average the expense over the remaining months in the certification period.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.3 Calculating Net Income and Benefit Levels

.31 Net Monthly Income

In calculating net monthly income, the entire calculation process including individual shelter and medical costs shall include exact dollars and cents. The final figure shall be rounded down to calculations that end in 1 through 49 cents and rounded up for calculations that end in 50 through 99 cents.

- .311 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:
- (a) Add the gross monthly income earned by all household members minus earned income exclusions, to determine the household's total gross earned income.
 - (b) Apply the earned income deduction to the total gross earned income.
 - (c) Add to net monthly earned income the total monthly unearned income of all household members, minus income exclusions.
 - (d) Subtract the standard deduction.
 - (e) Subtract monthly dependent care expenses, if any, up to the current maximum.
 - (f) Subtract the homeless shelter deduction.
 - (g) Subtract allowable monthly child support payments as specified in Section 63-502.37.
 - (h) Total the allowable shelter expenses to determine shelter costs, unless a homeless shelter deduction has been subtracted as in Section 63-503.311(f). Subtract from the total shelter costs 50 percent of the household's monthly income after all the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost. If there is no excess shelter cost, the net monthly income has been determined. If there is excess shelter cost, compute the shelter deduction according to subparagraph (G) of this section.
 - (i) Subtract the excess shelter cost (up to the current maximum) from the household's monthly income after all other deductions. The household's net monthly income has been determined.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.312 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:

- (a) Add the gross monthly income earned by all household members minus earned income exclusions, to determine the household's total gross earned income.
- (b) Apply the earned income deduction to the total gross earned income.
- (c) Add to net monthly earned income, the total monthly unearned income to all household members, minus income exclusions.
- (d) Subtract the standard deduction.
- (e) Subtract the monthly dependent care up to the current maximum.
- (f) Subtract the medical expenses in excess of the amount specified in Section 63-1101 (see Section 63-502.33 for allowable medical expenses).
- (g) Subtract the homeless shelter deduction.
- (h) Subtract the allowable monthly child support payments as specified in Section 63-502.37.
- (i) Total the allowable shelter expenses to determine the shelter costs. Subtract from the total shelter costs 50 percent of the household's monthly income after all of the above deductions have been subtracted. The remaining amount, if any, is the excess shelter cost.
- (j) Subtract the excess shelter cost from the household's monthly income after all other deductions. The household's net monthly income has been determined.

.32 Eligibility and Benefits

.321 Monthly income, as defined in Sections 63-502.11 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.)

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- .325 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.
- .326 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.
- .327 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.
- .328 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.
- .329 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:
 - (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.

63-503	DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS	63-503
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(Continued)

.4 Households with Special Circumstances

.41 Households with Self-Employment Income

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.

.411 Households with Self-Employment Income

- (a) 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.
- (b) 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.
- (c) 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.

.412 Averaging Self-Employment Income Received Less Often Than Monthly

- (a) At the time of application, the income and expenses from a self-employment enterprise shall be verified for either the last year or the last period during which income was earned and which was intended to cover either a year or part of a year. The CWD shall then use this verified information to average the household's income over the next year or period of time the income is intended to cover.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (1) If the household has experienced a substantial increase or decrease in business income and can provide the CWD with information that shows the averaged amount is not reflective of the household's actual circumstances, the CWD shall then calculate the household's self-employment income based on anticipated earnings rather than prior income.
- (b) 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) 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:
 - (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.

.413 Allowable Cost of Producing Self-Employment Income

To determine the net gross income of the applicant or recipient, the individual shall choose either actual costs of producing self-employment income or a standard deduction of 40 percent of gross earned income. The amount of actual costs of producing self-employment or the standard 40 percent of gross earned income is deducted from total gross earned income to arrive at the net gross earned income amount. Recipients shall be allowed to change the method of deduction only at recertification or every six months, whichever occurs first.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (a) Actual allowable costs of producing self-employment income include, but are not limited to, the identifiable costs of labor, stock, raw material, seed and fertilizer; payments on the principal of the purchase price of income-producing real estate and capital assets, equipment, machinery, and other durable goods; interest paid to purchase income-producing property, insurance premiums, and taxes paid on income-producing property.
- (b) If actual costs are chosen, the following items shall not be allowed as a cost of doing business:
- (1) Net losses from previous periods; and
 - (2) Federal, state and local income taxes, money set aside for retirement purposes, and other work-related personal expenses (such as transportation to and from work), as these expenses are accounted for by the earned income deduction, specified in Section 63-502.32.
 - (3) Depreciation; and
 - (4) Any amount that exceeds the payment a household receives from a boarder for lodging and meals.

.414 Capital Gains

The proceeds from the sale of capital goods or equipment shall be calculated in the same manner as a capital gain for Federal income tax purposes. Even if only 50 percent of the proceeds from the sale of capital goods or equipment is taxed for Federal income tax purposes, the CWD shall count the full amount of the capital gain as income for food stamp purposes. For households whose self-employment income is calculated on an anticipated, rather than averaged basis in accordance with Section 63-503.412(a)(1), the CWD must count the amount of capital gains the household anticipates receiving during the months over which the income is being averaged.

.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.

- (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.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (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.
 - (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.
 - (c) For migrant farmworker households self-employment income is calculated on an anticipated basis. The CWD shall add any capital gains the household anticipates it will receive in the next 12 months, starting with the date the application is filed, and divide this amount by 12. This amount shall be used in successive certification periods during the next 12 months, except that a new average monthly amount shall be calculated over this 12-month period if the anticipated amount of capital gains changes. The CWD shall then add the anticipated monthly amount of capital gains to the anticipated monthly self-employment income, and subtract the cost of producing the self-employment income. The cost of producing the self-employment income shall be calculated by anticipating the monthly allowable cost of producing the self-employment income.
 - (d) For self-employed farmers or fishermen, as defined in Section 63-102(s), if the cost of producing the self-employment income exceeds the income derived from self-employment as a farmer or fisherman, such losses shall be prorated in accordance with Section 63-503.412(b), and then offset against countable income in the household as follows:
 - (1) Offset farm or fishing self-employment losses first against other self-employment income.
 - (2) Offset any remaining farm or fishing self-employment losses against the total amount of earned and unearned income after the earned income deduction has been applied.
- .416 If the CWD determines that a household is eligible based on its monthly net income, the CWD may elect to offer the household an option to determine the benefit level by using either the same net income which was used to determine eligibility, or by prorating the household's total net income over the period for which the household's self-employment income was averaged to more closely approximate the time when the income was actually received. If income is prorated, the net income assigned in any month cannot exceed the maximum monthly income eligibility standards for the household size.

HANDBOOK BEGINS HERE

- (1) The following is an example of how the farming or fishing offset should be applied in determining the monthly net self-employment income to be used for both the gross and net income eligibility tests and benefit computations:

Self-Employment Income Computation

Gross Income	\$500
Expenses	- <u>600</u>
 Total Monthly Nonexempt Income	 - 100

A. Gross Income Eligibility

1. Gross Salary	\$300
2. Self-Employment	- <u>0</u>

Total Gross Earned Income	300
Unearned Income (Cash Aid)	450

Total Gross Earned and Unearned Income	750
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Net Income Eligibility

Adjusted Gross Earned Income	\$240	(300 x .80)
Cash Aid	450	
Less Offset	-100	
Total Nonexempt Gross Income	590	

HANDBOOK CONTINUES

HANDBOOK CONTINUES

(2) Self-employment Income Computation When There Are Two Different Sources of Self-employment Income

	Job 1	Job 2
Gross Income	\$ 500	\$ 400
Expenses	600	350
Profit/Loss	-100	+50

(A) First, offset against self-employment income

Job 1	\$100	
Job 2	-50	
	\$ 50	Net loss from self-employment

(B) Gross Income Eligibility

\$ 300	Gross salary
+ 0	Self-employment
+450	Cash Aid
\$ 750	total earned and unearned income

(C) Net Income Eligibility

\$ 240	Adjusted gross salary (300 x .80)
+ 450	Unearned income
\$ 690	Adjusted net income
- 50	Self-employment loss
\$ 640	total nonexempt gross income

HANDBOOK ENDS HERE

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63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (2) For monthly reporting households, the group living arrangement, if possible, shall provide the household with a CA 7, and instruction on completing it. However, the household is responsible for reporting the changes in household circumstances to the CWD.
- (c) If a resident or a group of residents apply on their own behalf and if they retain use of their own coupons, these individuals are entitled to keep the coupons when they leave. If a group of residents have applied as one household, a pro rata share of the remaining coupons shall be provided to any departing member.
 - (1) For nonmonthly reporting households, the group living arrangement shall, if possible, provide the household with a DFA 377.5 to report to the CWD the individual's new address and other changes in circumstances after leaving the group living arrangement and shall advise the household to return the form to the CWD within 10 days.
 - (2) For monthly reporting households, the group living arrangement, if possible, shall provide the household with a CA 7, and instruction on completing it. However, the household is responsible for reporting the changes in household circumstances to the CWD.
- (d) The group living arrangement shall return to the CWD any coupons it was unable to return to departing residents.

.486 The provisions of Section 63-503.476 shall also apply to all group living arrangements.

.49 Households with Sponsored Noncitizens

The income and resources of a sponsor and the sponsor's spouse (if he or she has executed an INS Form I-864 or I-864A), shall be deemed to be the unearned income and resources of a sponsored noncitizen and shall be considered in determining the eligibility and/or benefit level of the household of which the sponsored noncitizen is a member.

- .491 The sponsored noncitizen is subject to the sponsorship provisions until the sponsored noncitizen:
- (a) achieves United States citizenship through naturalization; or
 - (b) has 40 qualifying quarters as specified in Section 63-405.4; or
 - (c) leaves the United States permanently; or

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

- (d) dies.
- (1) The sponsor's support obligation also terminates when the sponsor dies.
- .492 The following noncitizens are exempt from provisions for sponsored aliens:
- (a) A noncitizen who is participating in the Food Stamp Program as a member of his/her sponsor's household or a noncitizen whose sponsor is participating separate and apart from the noncitizen;
- (b) A noncitizen who is sponsored by an organization or group as opposed to an individual;
- (c) A noncitizen who is not required to have a sponsor under the Immigration and Nationality Act, such as, but not limited to, a refugee, a parolee, one granted asylum, and/or a Cuban or Haitian entrant.
- (d) An indigent noncitizen as determined by the CWD.
- (1) If a determination is made by an agency that an indigent sponsored noncitizen would go hungry and homeless without benefits, an exception to the deeming rules would be permitted.
- (i) In these cases, the amount of income and resources of the sponsor or the sponsor's spouse that is attributed to the sponsored noncitizen shall not exceed the amount actually provided.
- (ii) This exception applies for a period beginning on the date of such determination and ending 12 months from that date.
- (e) A battered noncitizen as specified in Section 63-405.5.
- (1) The battered noncitizen is exempt from sponsorship requirements for 12 months after the CWD has determined there is a substantial connection between the abuse/battery and the need for benefits as specified in Section 63-405.55 and the battered individual does not live with the batterer.
- (2) After 12 months, the batterer's income and resources will not be deemed if the battery is recognized by a court or the INS and has a substantial connection to the need for benefits and the noncitizen does not live with the batterer.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.493 Eligibility and Benefit Level

(a) Income

(1) Income deemed available to the noncitizen is determined as follows:

(A) Take the total monthly earned and unearned income of the sponsor and the sponsor's spouse if the spouse has also executed an I-864 or I-864A at the time the household containing the sponsored noncitizen applies or is recertified.

(i) For the portion of income determined to be earned income of the sponsor and the sponsor's spouse, deduct 20 percent and

(ii) Deduct the food stamp monthly gross income eligibility limit for a household equal in size to the sponsor's household, i.e. the sponsor, the sponsor's spouse and any other person who is claimed or could be claimed by the sponsor, or the sponsor's spouse as a dependent for federal income tax purposes.

(B) If the noncitizen has already reported gross income information on his/her sponsor, due to Temporary Assistance to Needy Families (TANF) sponsored noncitizen rules, that income amount may be used for Food Stamp Program deeming purposes. However, allowable deductions to be applied to the total gross income of the sponsor and the sponsor's spouse, prior to attributing an income deduction to the noncitizen, shall be limited to the earned income amount and the Food Stamp Program gross monthly income amount stated above.

(2) Direct cash payment to the noncitizen by the sponsor or the sponsor's spouse shall not be considered as income to the noncitizen unless the amount paid exceeds the amount of the sponsor's income deemed available to the noncitizen. Only the portion of the amount paid that actually exceeds the deemed amount would be considered income to the noncitizen in addition to the deemed income amount.

63-503	DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS	63-503
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(Continued)

(b) Resources

(1) Resources of the sponsor and sponsor=s spouse as determined by Section 63-501 deemed to be that of the **noncitizen** shall be the total amount of their resources reduced by \$1,500.

(c) Treatment of Income and Resources of More Than One Sponsored **Noncitizen**

If a sponsored **noncitizen** can demonstrate to the CWD that his/her sponsor sponsors other **noncitizens**, then the income and resources deemed under this section shall be divided by the number of such **noncitizens** that apply for, or are participating in the Food Stamp Program.

If such information about other aliens for whom the sponsor is responsible is not provided to the CWD, the deemed income and resource amounts calculated shall be attributed to the applicant alien in their entirety until such time as the information is provided.

(d) Changing Sponsors

If the **noncitizen** changes sponsors during the certification period, then deemed income/resources shall be recalculated based on the required information of the new sponsor. See Section 63-403.33. The reported change would be handled in accordance with the time frames and procedures in Sections 63-504.3 and .4 as appropriate.

(e) **Repealed by CDSS Manual Letter No. FS-01-02, effective 6/1/01.**

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

.494 Awaiting Verification

- (a) While the CWD is awaiting receipt and/or verification from the **noncitizen** of information necessary to carry out the provisions of Section 63-503.49, the sponsored **noncitizen** shall be ineligible to participate until all necessary facts are obtained. In determining the eligibility and/or benefit level of the remaining household members, the income and resources of the ineligible **noncitizen** (excluding the attributed income and resources of the **noncitizen's** sponsor and sponsor's spouse) shall be handled in accordance with Section 63-503.442.
- (b) If the sponsored alien refuses to cooperate in providing and/or verifying needed information, other adult members of the alien's household shall be responsible for providing and/or verifying information required in accordance with Section 63-505.1. If the information or verification is subsequently received, the CWD shall act on the information as a reported change in household membership in accordance with the timeliness standards in Sections 63-504.3 and .4. If the same sponsor is responsible for the entire household, the entire household is ineligible until such time as needed sponsor information is provided and/or verified.

.5 Failure to Comply with Another Assistance Program=s Requirements

- .51 The CWD shall not increase food stamp benefits when the household=s benefits from another federal, state or local welfare or public assistance program have been reduced due to failure to comply with a requirement of that program. The provision does not apply when a food stamp household member who fails to comply is subject to a food stamp work sanction imposed pursuant to Section 63-407.541. The following conditions apply:
 - .511 The welfare or public assistance program must be: AMeans-tested≡, as defined in Section 63-502.171; governed by welfare or public assistance laws or regulations; and distribute public funds.
 - .512 Food stamp benefits shall be adjusted when eligible members are added to the food stamp household regardless of whether the household is prohibited from receiving benefits for the additional member under another federal, state or local welfare or public assistance means-tested program.
 - .513 Changes in household circumstances which are not related to failure to comply with another federal, state or local welfare or public assistance means-tested program shall not be affected by this provision.

63-503	DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS	63-503
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(Continued)

.514 The CWD shall calculate food stamp benefits using the benefit amount that would have been issued if no penalty had been imposed.

.52 The CWD shall identify that portion of the reduction in the other welfare or public assistance program=s benefits due to failure to comply with a requirement of that program.

.521 The CWD shall calculate food stamp benefits using the benefit amount that would have been issued if no reduction due to failure to comply had been imposed.

.6 Homeless Food Stamp Households

Homeless food stamp households shall be permitted to use their food stamp benefits to purchase prepared meals from meal providers for the homeless which have been authorized by the Food and Nutrition Service (FNS) to accept food stamp coupons.

.7 Certified Monthly Reporting Households Applying for Aid in a New County

.71 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).

.711 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.

.712 The CWD shall assist all households, as specified in Sections 63-103.21(i)(8) and 63-300.55, in obtaining any missing verification which the household had provided to the county or state in which the household was previously certified.

63-503 DETERMINING HOUSEHOLD ELIGIBILITY AND BENEFIT LEVELS 63-503
(Continued)

NOTE: Authority cited: Sections 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554 and 18904, 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) and (b)(2)(ii); 7 CFR 273.10; 7 CFR 273.10(a)(1)(iii)(B); 7 CFR 273.10(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), 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) 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)(iii), (c)(3)(ii), (d)(1), and (e)(1); 7 CFR 273.21(f)(2)(ii), (iii), (iv), and (v), (g)(3), (j)(1)(vii)(B), and (S); (Court Order re Final Partial Settlement Agreement in Jones v. Yeutter (C.D. Cal. Feb. 1, 1990) _____ F. Supp. _____; 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(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); and Federal Food Stamp Policy Memos 82-9 dated December 8, 1981, and 88-4 dated November 13, 1987.

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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.

.11 General Requirements for Establishing Certification Periods

.111 Certification periods shall conform to calendar or fiscal months, except that for initial applications where benefits are prorated, the beginning date of the certification period shall be the date the application was filed with the CWD. At initial application, the first month in the certification period shall generally be the month of application, even if the household's eligibility is not determined until a subsequent month. For timely reapplications and recertifications, the certification period shall begin with the month following the last month of the previous certification period. Households should be assigned certification periods of at least six months except as follows:

- (a) Households with unstable circumstances should be assigned certification periods consistent with their circumstances, but generally no less than three months.
- (b) Households may be assigned one or two-month certification periods when it appears likely that the household will become ineligible for food stamps in the near future.

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

.12 Additional Requirements for Establishing Certification Periods for Monthly Reporting 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.

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.

(a) If a household initially applies jointly for food stamps and PA benefits, a nonassistance classification shall be assigned if the food stamp application is approved prior to the PA determination being made and the certification period shall be assigned in accordance with Section 63-504.122. When the PA application is approved, the household shall be reclassified as public assistance, but the certification period shall remain as originally assigned. (See Section 63-301.7 for additional procedures for PA categorically eligible households.)

.122 Nonassistance Households

All nonassistance households (NA) subject to monthly reporting shall be certified for a period not to exceed 12 months.

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY 63-504
(Continued)**.123 Changes in Classification**

If the household classification changes and Food Stamp Program eligibility is retained, the certification period shall be changed as follows:

(a) When all members of a currently certified NA household apply for PA benefits, the CWD shall inform the household that it may be recertified for food stamps at the same time its PA eligibility is determined. In order to do so, the household shall submit an application for recertification and have a joint interview in conjunction with the processing of the PA application. If the household agrees to be recertified in accordance with the PA application, the CWD shall provide the household with the application forms (DFA 285-A1 and DFA 285-A2) necessary to recertify the household. If the household is determined to be eligible for PA benefits, a new food stamp certification period shall be assigned in accordance with Section 63-504.121.

(1) If the household applying for PA benefits elects not to be recertified for food stamps in conjunction with processing of the PA application, the household's certification period shall remain as originally assigned, unless the CWD determines it is necessary to shorten the certification period in accordance with Section 63-504.14.

(b) Households which have their PA eligibility terminated shall retain their originally assigned food stamp certification period, unless the CWD determines it is necessary to shorten the certification period in accordance with Section 63-504.15.

.13 Additional Requirements for Establishing Certification Periods for Nonmonthly Reporting Households

.131 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.

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

(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.

.132 Certification periods for households consisting of all adult members who are elderly or disabled persons may be certified for up to 24 months, provided household circumstances are expected to remain stable. The CWD shall have at least one contact with these households every 12 months. The contact may be in the form of a telephone interview, an in-office interview or some form of a written report.

(a) If children are part of a household containing all elderly or disabled persons, the household may be certified for up to 24 months.

.14 Certification Periods for Households Residing on a Reservation

.141 Monthly reporting households residing on a reservation shall be certified for 24 months.

.142 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.

.15 Shortening the Length of the Certification Period

.141 The CWD shall not shorten a household's certification period. The CWD must end a certification if the CWD determines the household becomes ineligible.

HANDBOOK BEGINS HERE

Example: A household's certification will end by May 31st. However, in March of the same year, the CWD receives information that renders the household ineligible. The CWD cannot send a Notice of Expired Certification to shorten the certification period as a means of discontinuing the household from benefits. The certification period can be ended only if the CWD determines the household is ineligible and an adverse Notice of Action is sent to the household.

HANDBOOK ENDS HERE

.142 Repealed by CDSS Manual Letter No. FS-01-02, effective 6/1/01.

.143 Repealed by CDSS Manual Letter No. FS-01-02, effective 6/1/01.

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

.16 Lengthening the Certification Period

.161 CWDs may lengthen a household's certification period once it is established, as long as the total months of the certification period do not exceed 24 months for households in which all adult members are elderly or disabled, or 12 months for other households.

.162 If the CWD extends a household's certification period, it must advise the household in accordance with adequate notice provisions as specified in Section 63-504.2.

.2 Notices of Action

.21 General Requirements

.211 All notices of action shall contain the information necessary to be considered adequate. Requirements for specific notices are contained in Sections 63-504.221, 63-504.253 and 63-504.271. To be considered adequate, a notice of action shall:

- (a) Explain in easily understandable language:
 - (1) The proposed action;
 - (2) The reason for the proposed action;
 - (3) The household's right to request a state hearing;
 - (4) The availability of continued benefits and the potential liability of the household for any overissuance received while awaiting a state hearing, if the hearing decision is adverse to the household.
- (b) Contain the telephone number to call for additional information. For households living outside the local calling area, a toll-free number or a number where collect calls will be accepted shall be provided.
- (c) Advise the household of the availability of free legal representation if there is an individual or organization available that provides these services.

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

.6 Recertification of All Households

.61 General Requirements

- (a) The CWD shall complete the application process and approve or deny a timely application for recertification prior to the end of the household's current certification period and shall provide an eligible household with an opportunity to participate by the household's normal issuance cycle in the month following the expiration of the household's certification period. Entitlement to expedited service for households submitting applications for recertification shall be determined in accordance with Section 63-301.51. The CWD shall not continue benefits beyond the end of the certification period unless the household has been recertified.
 - (1) The joint processing requirements in Section 63-301.6 for PA and PA categorically eligible households shall also apply to applications for recertification.
 - (2) If the PA redetermination is not timely completed for categorically eligible households, the food stamp recertification shall not be delayed and must be completed in accordance with Section 63-504.6. PA Categorical eligibility shall be assumed.
 - (A) The provisions of Section 63-301.7, for certain eligibility factors, verification provisions, and the benefit determination continue to apply to categorically eligible households at recertification.
 - (B) If the recertified household is subsequently terminated from PA benefits, the CWD shall follow the procedures specified in Sections 63-503 and 504.123(b).
- (b) All households shall be provided notice of the impending expiration of their certification period as specified in Section 63-504.251. The CWD also shall provide the household with an application, which may be sent with the notice, including an appointment date for an interview. Or, the application and appointment date may be mailed or given to the household separately.

HANDBOOK BEGINS HERE

To expedite the recertification process, CWDs are encouraged to send a recertification form, an interview appointment letter that allows for either an in-person or telephone interview and a statement of verification needed with the Notice of Expiration.

HANDBOOK ENDS HERE

- (c) Timely Application for Recertification
 - (1) 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.
 - (2) 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.
 - (3) 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.
 - (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) Any household receiving a notice of action informing them of the expiration of their certification period shall attend any interview scheduled by the CWD on or after the date the application is timely filed in order to retain their right to uninterrupted benefits.

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

- (1) The CWD may schedule the interview prior to the date the application is timely filed provided the household is not denied at that time for failing to appear for the interview.
 - (2) The CWD shall schedule the interview on or after the date the application was timely filed if the interview has not been previously scheduled, or the household has failed to appear for any interviews scheduled prior to this time and has requested another interview.
 - (3) If the household does not appear for any interview scheduled in accordance with this section or attempted to reschedule another appointment, the CWD need not initiate any further action.
- (e) **Delayed Processing**
- (1) If a household's application for recertification is delayed beyond the first of the month of what would have been its new certification period through the fault of the CWD, the household's benefits for the new certification period shall be prorated based on the date of the new application, and the CWD shall provide restored benefits to the household back to the date the household's certification period should have begun had the CWD not erred and the household been able to apply timely.
 - (2) When a household's eligibility is not determined by the end of its current certification period due to the time period allowed for submitting any missing verification, the household shall receive an opportunity to participate, if eligible, within five working days after the household submits the missing verification and benefits shall not be prorated.

HANDBOOK BEGINS HERE

Example: A household completed the interview and application process before the end of its current certification period in April. However, verification still must be provided within 10 days of the completed application process. The 10-day period for submitting verification extends into the month following the current certification period, or on May 5th. The household submits the verification on May 4th within the allowable 10-day period. The CWD must provide a full month of benefits for May and by the 9th day in May due to the five-day limit for providing an opportunity for the household to participate in the program.

HANDBOOK ENDS HERE

- (f) Repealed by Manual Letter No. FS-87-05, effective 7/1/87.

63-504 HOUSEHOLD CERTIFICATION AND CONTINUING ELIGIBILITY 63-504
(Continued)**(g) CWD Action on Timely Applications for Recertification**

The CWD shall provide uninterrupted benefits to any household determined eligible after the household timely files an application and attends an interview. The CWD shall provide uninterrupted benefits within the time standards listed below even if, to meet these standards, the CWD must provide an opportunity to participate outside the normal issuance system.

- (1)** Households provided a notice of action informing them of the expiration of their certification period at the time of certification and that have timely reapplied shall be notified of their eligibility or ineligibility and provided an opportunity to participate, if eligible, not later than 30 days after the date of their last opportunity to participate.
- (2)** For all other households that have met all required application procedures, the CWD shall approve or deny the application and notify the household of its determination by the end of the current certification period. For households determined eligible, the CWD shall provide an opportunity to participate by the household's normal issuance cycle in the month following the end of their current certification period.
- (3)** If an eligible household files an application before the end of the certification period but the recertification process cannot be completed within 30 days after the date of application because of CWD fault, the CWD must continue to process the case and provide a full month's allotment for the first month of the new certification period.

(h) Failure to Submit a Timely Application for Recertification

Households who file an application for recertification after the dates specified in Section 63-504.613, but by the end of the certification period, shall be considered to have made an untimely application for recertification.

(i) CWD Action on Untimely Applications for Recertification

- (1)** Any household shall lose their right to uninterrupted benefits if they fail:
 - (A)** To submit a timely application for recertification unless the household is entitled to expedited service and the application is filed at least three days prior to the next normal issuance date in the new certification period; or
 - (B)** To appear for an interview.

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

- (2) Households making an untimely application for recertification shall not be denied at that time, unless they refuse to cooperate, or the certification period has lapsed and the CWD chooses to make denials at that time. If the household is otherwise eligible after correcting such failures, the CWD shall, at a minimum, provide benefits no later than 30 days after the date the application was filed.
- (3) Denials for untimely applications for recertification including those for failure to complete the interview timely, shall be completed either by the end of the current certification period or within 30 days after the date the application was filed as long as the household has had adequate time for providing the missing verification.
- (4) Any applications not submitted in a timely manner shall be treated as an application for initial certification. For nonmonthly reporting households who submit applications within 30 days after the certification period expires, previously verified income or actual utility expenses need not be verified if the source has not changed and the amount has not changed by more than \$25.

(j) CWD Failure to Act

CWD failure to provide eligible households which filed a timely application for recertification and met all processing steps in a timely manner with an opportunity to participate as specified in Section 63-504.616, shall be considered an administrative error. These households shall be entitled to restoration of lost benefits if, as a result of such error, the household was unable to participate for the month following the expiration of the certification period.

.62 CWD Action on Timely Reapplications By Monthly Reporting Households

- .621 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.

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

- .622 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.
- .623 PA and PA categorically eligible households that are jointly processed as specified in Section 63-301.6 shall, to the extent possible, be recertified for Food Stamps at the same time that their PA eligibility is redetermined.
- (a) These households may be recertified in the month prior to the last month of the certification period in conjunction with the PA redetermination. The new certification period shall begin with the last month of the old certification period.
- (b) If the recertification is not completed in the month prior to the last month of the certification period, the application shall be held pending and the household provided a notice of action informing them of the expiration of their certification period. The recertification shall be completed during the last month of the certification period.
- .624 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.
- (a) PA households whose recertifications are completed in the month prior to the last month of the certification period shall be subject to all provisions of Section 63-504.3 in that month, except that they shall be provided a notice of action informing them of the approval or denial of their reapplication, instead of a notice as specified in Section 63-504.26.
- (b) All changes reported on the application shall be subject to the same verification procedures as apply at initial certification, including categorically eligible households, as specified in Sections 63-301.71, .72, and .82.

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

.88 Photo ID Card Waivers

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

NOTE: Authority cited: Sections 10554, 11265.1, and 18904, Welfare and Institutions Code. Reference: Sections 10554 and 18904, 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 273.10(d)(4), (f), (g)(1)(i) and (ii); proposed 7 CFR 273.12(a)(1)(vi) as published in the Federal Register, Vol. 59, No. 235 on December 8, 1994, and (c); 7 CFR 273.12(e)(1), (e)(2), and (e)(4); 7 CFR 273.13(a)(2); 7 CFR 273.13(b)(1); 7 CFR 273.14; 7 CFR 273.14(b)(3) and (e); 7 CFR 273.21(e)(1), (f)(1)(iii), (f)(1)(iv)(B), (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; 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 2017(c)(2)(B); 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); and Federal Administrative Notice 97-99, dated August 12, 1997.

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63-506 **EXCLUDED RESOURCES AND/OR INCOME OF NATIVE AMERICANS OR ALASKA NATIVES** (Continued) **63-506**

NOTE: Authority cited: Sections 10553, 10554, 11209, and 18904, Welfare and Institutions Code. Reference: Section 10554, 18901, and 18904, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 273.8(e)(10) and (e)(11); 7 CFR 273.9(c)(10); Public Law (P.L.) 92-203, Section 29; P.L. 93-134; P.L. 93-531, Section 22; P.L. 94-114, Section 6; P.L. 94-189, Section 6; P.L. 94-540; P.L. 95-433, Section 2; P.L. 95-608; P.L. 96-420, Section 9(c); P.L. 97-403; P.L. 97-408; P.L. 97-458; P.L. 98-64; P.L. 98-123, Section 3, P.L. 98-124, Section 5; P.L. 98-500, Section 8; P.L. 99-146, Section 6(b); P.L. 99-264, Section 16; P.L. 99-346, Section 6(b)(2); P.L. 99-377; P.L. 100-241, Section 15; P.L. 101-41, Sections 10(b) and (c); P.L. 101-277; P.L. 101-503, Section 8(b); P.L. 103-66, Section 13736; and United States Department of Agriculture (U.S.D.A.) Food and Nutrition Service (FNS), Administrative Notice (AN) 94-41, dated April 19, 1994.

63-507 **RESOURCES AND/OR INCOME EXCLUDED BY OTHER FEDERAL LAW** **63-507**

- (a) Resources and/or income shall be excluded if specifically excluded for Food Stamp purposes by any other federal law, including, but not limited to:
- (1) Benefits received by children from the following programs:
 - (A) Special Supplemental Food Program for Women, Infants and Children (WIC) (P.L. 89-642, Section 11 (b));
 - (B) Special Milk Program (P.L. 89-642, Section 11(b));
 - (C) School Breakfast Program (P.L. 89-642, Section 11(b));
 - (D) School Lunch Program (P.L. 94-105, Section 9(d));
 - (E) Summer Food Service Program for Children (P.L. 94-105, Section 9(d));
 - (F) Commodity Distribution Program (P.L. 94-105, Section 9(d));
 - (G) Child and Adult Care Food Program (P.L. 94-105, Section ((d)).
 - (2) Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (P.L. 91-646, Section 216);
 - (3) Earned income tax credits received before January 1, 1980, as a result of P.L. 95-600 the Revenue Act of 1978.

63-507 RESOURCES AND/OR INCOME EXCLUDED BY OTHER FEDERAL LAW 63-507
(Continued)

- (4) Allowances, earnings and payments to individuals in programs specified under the Workforce Investment Act (WIA) shall be excluded, except that earnings of individuals participating in on-the-job training programs shall not be excluded as either resources or income (P.L. 97-300, Section 142(b) and P.L. 99-198).
- (A) However, earnings of dependent household members under 19 years of age who are participating in on-the-job training under WIA shall be excluded.
1. For purposes of this provision, dependent means a child under 19 years of age who is under the parental control of an adult household member.
- (5) Payments or allowances made under any federal laws, except benefits under a state program funded under Part A of Title IV of the Social Security Act, for the purpose of energy assistance, such as the Low Income Home Energy Assistance Act (LIHEAA), or from Housing and Urban Development (HUD) or the Farmers Home Administration (FmHA) programs. One-time assistance payments or allowances under federal or state laws for weatherization or emergency repair or replacement of heating or cooling devices are excluded.
- (6) Financial educational assistance provided under any of the following:
- (A) A program funded in whole or in part under Title IV of the Higher Education Act (P.L. 102-325);
- (B) Bureau of Indian Affairs student assistance programs (P.L. 102-325);
- (C) Title XIII, Indian Higher Education Programs, Tribal Development Student Assistance Revolving Loan Program (Tribal Development Student Assistance Act);
- (D) To the extent specified in Section 63-502.2(e), the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990 (20 U.S.C. 2301-2466d.).

63-507 RESOURCES AND/OR INCOME EXCLUDED BY OTHER FEDERAL LAW 63-507
(Continued)

HANDBOOK BEGINS HERE

3. National Council of Senior Citizens
4. American Association of Retired Persons (AARP)
5. U.S. Forest Service
6. National Association for Spanish-Speaking Elderly
7. National Urban League
8. National Council on Black Aging

HANDBOOK ENDS HERE

- (16) The value of any child care provided or arranged for, or child care payments made under the programs specified in Sections 63-507(a)(16)(A) through (a)(16)(C) shall be excluded as income only.
- (A) Title IV-A of the Social Security Act, including transitional child care (P.L. 100-485, Section 301).
 - (B) The At-Risk Block Grant (P.L. 101-508, Section 5801).
 - (C) The Child Care and Development Block Grant (P.L. 102-586, Section 8).
- (17) Allowances, earnings, and payments made under Title I of the National and Community Service Act (NCSA) of 1990 shall be excluded (P.L. 101-610, Section 177(d)). The NCSA includes programs under the Serve America, American Conservation and Youth Corps, and National and Community Service subtitles.
- (A) Earnings of individuals, except dependent household members under 19 years of age, participating in on-the-job training under Title I programs shall not be excluded, consistent with the provisions of Sections 63-502.135 and 63-507(a)(4).

63-507	RESOURCES AND/OR INCOME EXCLUDED BY OTHER FEDERAL LAW	63-507
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(Continued)

HANDBOOK BEGINS HERE

- (B) Examples of programs under Title I of the NCSA include: the Higher Education Service-Learning Program; the AmeriCorps umbrella program, including the National Civilian Community Corps and the Summer for Safety programs; and the School-to-Work Opportunities Program.

HANDBOOK ENDS HERE

- (18) Payments made to individuals because they have been determined to be victims of Nazi persecution (P.L. 103-286, Section (1)).

NOTE: Authority cited: Sections 10553, 10554, 11209, and 18904, Welfare and Institutions Code. Reference: Sections 10554, 18901, 18902, and 18904, Welfare and Institutions Code; 7 Code of Federal Regulations (CFR) 273.2(h); 7 CFR 273.8(e)(11) and (12)(ii); 7 CFR 273.9(b)(1)(v); 7 CFR 273.9(c)(10); 7 CFR 273.10(f); 7 CFR 273.14(e); Public Law (P.L.) 89-642; P.L. 91-646, Section 216; P.L. 93-113; P.L. 94-105, Section 9(d); P.L. 95-531; P.L. 95-600; P.L. 97-300, Section 142(b); P.L. 99-425, Section (e); P.L. 99-576, Section 303(a)(1); P.L. 100-50; P.L. 100-175, Section 166; P.L. 100-383, Section 105(f)(2); P.L. 100-485, Section 301; P.L. 100-707, Section 105(i); P.L. 101-201; P.L. 101-329, Section 10405; P.L. 101-426; P.L. 101-508, Section 5801; P.L. 101-610, Section 177(d); P.L. 102-325; P.L. 102-586; P.L. 103-286, Section 1; 20 United States Code (U.S.C. 2301-2466d; United States Department of Agriculture (U.S.D.A.), Food and Nutrition Service (FNS), Administrative Notice (AN) 94-41, dated April 19, 1994; U.S.D.A., FNS, ANs 94-58 and 94-59, dated July 5, 1994; U.S.D.A., FNS, AN 94-72, dated September 15, 1994; P.L. 104-193, Sections 808 and 827 (Personal Responsibility and Work Opportunity Reconciliation Act of 1996); and Administrative Notice 96-48.