



**United States
Department of
Agriculture**

Food and
Nutrition
Service

Northeast Region

10 Causeway St.
Room 501
Boston, MA 02222

March 30, 2004

FOOD STAMP PROGRAM REGIONAL LETTER 04-14

Subject: Questions and Answers on the Farm Bill

Enclosed are additional questions and answers about Simplified Reporting and Transitional Benefits, two options under the Farm Bill. We shall be posting these Q's and A's on our website as soon as possible

If you have any questions about the material, please contact Susan Mahan at (617) 565-6382.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary A. Ferris". The signature is stylized and fluid, with a long horizontal stroke extending to the right.

Mary A. Ferris, Chief

State Program Improvement Section

Food Stamp Program

Northeast Region

Enclosure

Section 4109 - State Option to Reduce Reporting Requirements (effective October 1, 2002)

Question 4109-21: Should the state agency reduce a household's allotment when it learns of a change that the household did not have to report? Two examples:

- A fraud investigator returns verified information that the household's income rose, but not to the 130% reporting threshold.
- A quality control reviewer verifies that a household's income increased, but again, not to the 130% reporting threshold.

Answer: This is a matter for the state agency to decide. However, FNS recommends that the state agency postpone the reduction until the next recertification or interim report. We recommend this because:

- One goal of simplified reporting is the minimizing of the state agency's workload, and postponing the reduction would do that.
- It seems arbitrary to reduce a household's allotment simply because someone in the state agency suspected fraud (when none occurred) or because quality control randomly selected the household for review.
- The information may be verified but out-of-date.

Question 4109-22: Suppose a household voluntarily reports information that also indicates that a member of the household may have become an ABAWD. Should the state agency treat the household member as an ABAWD and limit the number of months that the member can receive food stamps?

For example, the household consists of a mother and child. The child moves out and the mother reports this to the food stamp office. The mother would have been an ABAWD but for the child's presence. The state agency treats the voluntary report as verified upon receipt, and reduces the food stamp benefits to a one-person allotment.

Answer: We recommend that the state agency delay a decision about ABAWD status until the next recertification or interim report.

While the reduced household size may be verified upon receipt, it is unlikely that the client's possible ABAWD status is verified upon receipt. In the example above, the mother may have gotten a job where she works 20 hours a week. In such a situation, the decision about ABAWD status requires more contact with the household, which the procedures for Simplified Reporting try to avoid.

Please also see Question and Answer 4109-10, from the first set of Farm Bill Q's and A's, at http://www.fns.usda.gov/fsp/rules/Legislation/2002_farm_bill/farmbill-QAs.htm.

Question 4109-23: One of the criteria for reducing a household's benefits in Simplified Reporting is that the reported change is verified upon receipt. FNS discussed the meaning of this term in Question D-1 at http://www.fns.usda.gov/fsp/rules/Memo/00/NCEP_Q_As.htm). Part of that discussion stated:

In addition, the state agency may determine what other sources provide information that is considered verified upon receipt. One of these sources could be the household itself, when it reports changes in household composition and deductible expenses.

Do the following situations seem to be verified upon receipt:

- A household reports that it is moving out-of-state, but does not specifically ask that the state agency close its food stamp case.
- Protective services removes a child from a home and tells the state agency what has happened.
- A drug/alcohol treatment center tells the state agency that a client has moved out of the center.

Answer: Unless there are very unusual circumstances, it would seem more reasonable to act on these changes.

- A household's report that it is leaving the state is tantamount to a request to close the case.
- Unless protective services thinks that the child will be returning to the home soon, protective services would seem to be the primary source of information about a child's location.
- Similarly, a treatment center would be the primary source of information that a client had left the center. In addition, the treatment center must lose its access to the client's food stamp allotment.

Question 4109-24: This question concerns only state agencies with waivers that require them to act on changes that would reduce benefits.

A state agency may conduct a data match and receive new information about a household, but the information is out-of-date or otherwise lacking in specificity. What action should the state agency take on the household's food stamp allotment?

For example, a data match could reveal previously unreported income, but because of the timing of the data match, the information could be months old.

Answer: The state agency would send the household a Request for Contact and obtain updated information about the household's circumstances. The regulations about the Request for Contact appear at 7 CFR 273.12(c)(3).

Question 4109-25: 7 CFR 273.12(a)(3) reads as follows:

An applying household shall report all changes related to its food stamp eligibility and benefits at the certification interview. Changes, as provided in paragraph (a)(1) of this section, which occur after the interview but before the date of the notice of eligibility, shall be reported by the household within 10 days of the date of the notice.

What changes must a simplified reporting household report when the change occurs between the interview and the notice of eligibility?

Answer: The household is not required to report any changes between the interview and the notice of eligibility.

But when a change occurs during that period, a simplified reporting household must report only those two changes that simplified reporting requires:

- When the household's gross monthly income exceeds 130 percent of the monthly poverty income guideline for their household size, and
- For able-bodied adults subject to the time limit of §273.24, any changes in work hours that bring an individual below 20 hours per week, averaged monthly, as defined in §273.24(a)(1)(i).

The household must report these two changes within 10 days of the date of the notice of eligibility.

Section 4115 - Transitional Food Stamps for Families Moving from Welfare (effective October 1, 2002)

Question 4115-14: A household is already receiving Transitional Food Stamps. The household moves in with another household (which may or may not be receiving food stamps). Under the definition of household, both groups of people must be considered one household. What should the state agency do:

- Keep the households separate, and maintain the transitional household's frozen benefit?
- End the transitional food stamps, combine the two groups into one household, and redetermine eligibility for the new household

- Let the transitional household choose what it wants to do?

Answer: It is the transitional household's choice. The transitional household can either:

- Let the transitional period end normally or
- Terminate its own certification period and be recertified.

When the transitional benefits end the state agency would combine the two households into one.