TITLE 475
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)

CHAPTER 1-000 GENERAL PROVISIONS

1-001 General Policies

1-001.01 Purpose: The purpose of the Supplemental Nutrition Assistance Program is to:

1. Safeguard the health of the nation's low income families through better nutrition;
2. Increase the food purchasing power of low income families; and
3. Increase the flow of foods from the nation's farms through the normal trade channels.

{Effective 6/28/11}

1-001.02 Right to Apply: Every person has the right to apply for SNAP benefits. Application forms must be readily accessible to any groups, organizations, or private citizens who request the forms.

{Effective 6/28/11}

1-001.03 Program Information: Persons or agencies desiring information concerning any part of the program may contact:

1. The Central Office of Nebraska Department of Health and Human Services, Division of Children and Family Services, Economic and Family Support, Supplemental Nutrition Assistance Program, Nebraska State Office Building, 301 Centennial Mall South, Lincoln, Nebraska 68509;
2. Mountain Plains Regional Office, United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), 1244 Speer Blvd., Suite 903, Denver, Colorado 80204; and/or
3. The Administrator, Food and Nutrition Service/USDA, 3101 Park Center Drive, Alexandria, Virginia 22302.

{Effective 6/28/11}

1-001.04 Complaints: Applicants and participants may file complaints regarding any aspect of program administration including:

1. Household certification;
2. SNAP benefit issuance;
3. Fair hearing conduct; or
4. Any other program service management.

Complaints regarding program policy or civil rights may be filed by participants, potential participants, or other concerned individuals or groups.

The local office must advise the individual of the right to file a complaint and must explain the procedure for filing a complaint to each individual who expresses an interest in filing a complaint.

Complaints may be filed by telephone, by letter, or in person. Collect calls must be accepted by all offices.

Civil Rights complaints or program policy complaints may be filed verbally or in writing according to the following.

{Effective 6/28/11}

1-001.04A Program Policy Complaints: Each local office must display a poster in a prominent location which provides the procedures to follow in filing a program complaint and list the name and telephone number of the contact person for that office.

If it is uncertain about whether an applicant or recipient has a complaint that needs to be reported, the worker must ask the client if s/he wishes to file a complaint. If the client does not wish to file a complaint, no further action is required.

If the client wants to file a complaint, s/he may do so with either:

1. A contact person designated by the Service Area Administrator to accept service complaints in each local office; or
2. The Central Office of the Nebraska Department of Health and Human Services, Office of Economic and Family Support, Food Program Unit, Nebraska State Office Building, 301 Centennial Mall South, Lincoln, NE 68509.

1-001.04A1 Reporting Complaints: When a complaint is filed with a local office or the Central Office, information regarding the complaint must be documented. In cases where complaints are resolved at the worker level, it is not necessary to document the complaint. All complaints which are documented by the local office must be forwarded to Food Programs, Central Office, within 30 days of the receipt of the complaint.

1-001.04A1a Local Office Responsibilities: The local office is required to take the following actions in regard to the complaint:

1. Investigate the complaint;
2. Take corrective action where warranted; and
3. Respond to the complainant on the disposition of the complaint.

1-001.04A1b Central Office Responsibilities: The Central Office takes the following actions in regard to program complaints:

1. Maintains records of complaints received and their disposition; and
2. Reviews all complaints annually to assess whether patterns of deficiencies in policy or service may be present.

1-001.04B Civil Rights Complaints: Local offices must not discriminate against any applicant or participant in any aspect of program administration including:

1. Household certification;
2. SNAP benefit issuance;
3. Fair hearing conduct; or
4. Any other program service management.

Discrimination based on age, race, color, sex, disability, religion, national origin, or political belief is prohibited. All local offices must prominently display the nondiscrimination poster provided by the Central Office. In addition, the local office must provide bilingual services if needed in the area.

1-001.04B1 Filing of Civil Rights Complaints: Persons or agencies desiring to file a complaint alleging discrimination on the basis of age, race, color, sex, disability, religion, national origin, or political belief may contact:

1. U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov; and/or
2. Mountain Plains Regional Office, United States Department of Agriculture (USDA), Food and Nutrition Service (FNS), 1224 Speer Blvd., Suite 903, Denver, Colorado 80204; and/or
3. Nebraska Health and Human Services, Economic and Family Support, Food Program Unit, Nebraska State Office Building, 301 Centennial Mall South, Lincoln, NE 68509.

Individuals with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

The civil rights complaint must be filed no later than 180 days from the date of the alleged incident of discrimination if the person requests action on the complaint.

1-001.04B2 Discrimination Complaint Requirements: Discrimination complaints must contain the following information:

1. The name, address, and phone number of the person alleging discrimination, or other means of contacting this person;
2. The location and name of the office which is accused of discriminatory action;
3. The nature of the incident, action, or program administration that led to the complaint;
4. The reason for the alleged discrimination (age, race, color, sex, disability, religion, national origin, or political belief);
5. The names, titles (if appropriate), and addresses of persons who may have knowledge of the alleged discriminatory act; and
6. Each date on which the action occurred.

1-001.04B3 Verbal Complaints: If the complainant makes accusations verbally to a Department worker and is unable or reluctant to put the allegations in writing, the worker must ask the client to contact FNS directly. If the complainant is unwilling to do so, the worker must document the complaint and forward it to the Director, Office of Adjudication.

1-001.05 Availability of Public Information: Federal regulations, state plans of operation, federal procedures, the Nebraska SNAP Policy Manual and supplemental instructions issued for use in certifying households are maintained at the Central Office for examination by the general public on regular work days during office hours.

1-001.06 RESERVED

1-001.07 Prudent Person Principle: The worker should assess all circumstances regarding case eligibility and to use good judgment in requiring further verification or information before determining eligibility and benefit level.

1-001.08 Disasters: In case of a major disaster declared by the president, the local office must immediately contact the Central Office for proper forms and instructions.

1-001.09 Parties to a Strike: The local office must not employ persons or organizations involved in a work strike or lockout in any SNAP certification activity. SNAP certification and/or interviews must not be conducted in the work facilities of persons or organizations involved in a strike.

{Effective 6/28/11}

1-002 Program Definitions: The following definitions apply to SNAP:

ABAWD (Able Bodied Adult Without Dependents): An individual age 18 through 49 who lives in a SNAP household which includes no children age 17 or younger.

Accounts Receivable: means overpayment(s) for the same time frame and reason which the Department groups together into one account.

ADC: Aid to Dependent Children Program.

Adequate Notice: A written notice which contains the following:

1. The action the local office has taken or intends to take;
2. The reason for the intended action;
3. The household's right to request a fair hearing;
4. The name of a person to contact for additional information;
5. The availability of continued benefits; and
6. The household's liability for over-issuances received while awaiting a fair hearing decision which is adverse to the household.

Aggregate Benefit: The second month of a combined allotment. All of the following conditions must be met to be an aggregate benefit:

1. The application month must be expedited;
2. The application date must be the 16th of the month or later; and
3. The household must be eligible for benefits for both the application month and the following month.

Allotment: The total value of benefits a household is authorized to receive during each month of the certification period.

Application: The action by which the individual indicates the desire to receive assistance by submission of an application.

Application Signature: Applications may be signed in writing or by electronic signature.

Application Submission: Applications may be submitted in person, by mail, by fax, or by electronic transmission.

Available Documentary Evidence means evidence of identification available through computer match systems.

Boarder: An individual who either lives in a commercial boardinghouse or lives with a household and pays reasonable compensation in cash for meals and lodging. A boarder is not considered a member of a participating household and his/her income and resources are not considered available to the household.

Categorically Eligible: Households in which:

1. All members receive or are authorized to receive ADC, AABD, SDP or SSI payments; or
2. At least one member is authorized or receives:
   a. ADC Emergency Assistance; or
   b. Employment First supportive services.

Certification Worker: Local office staff qualified through the State Personnel System to perform certification services for applicant households.

Chemical Dependency Treatment and Rehabilitation Program: Any chemical dependency treatment and rehabilitation program which is a private, nonprofit organization or facility or a publicly operated community health center. Private, nonprofit treatment programs do not need to be funded under Title XIX, but must qualify for the same essential conditions as those publicly operated programs under Title XIX funding. The program must be certified to provide treatment that can lead to rehabilitation in accordance with the agency responsible for the administration of drug or alcoholic treatment and rehabilitation programs.

CIS: Citizenship and Immigration Services, U.S. Department of Homeland Security.

Combined Allotment: The prorated first month's expedited benefit and the second full month's aggregate benefit issued together as one allotment. Combined allotments are only issued to households entitled to expedited service which apply on or after the 16th of the month.

Complete Application: An application that has a valid name, address and signature and contains the minimum information necessary to determine eligibility: identity, household composition, disqualification information, income, resources, student status and citizenship.

Date of Discovery: The date the Department confirms an overpayment occurred.

Department: The Nebraska Department of Health and Human Services.

Desk Review: A redetermination by the worker of a household's eligibility completed by reviewing the points of eligibility and updating the SNAP case.

Disabled: A household member who is:

1. Receiving Supplemental Security Income (SSI) under Title XVI of the Social Security Act or disability or blindness payments under Titles I, II, X, XIV, or XVI of the Social Security Act;
2. Receiving AABD or State Disability Program benefits;
3. Receiving disability retirement benefits from a government agency because of a disability considered permanent under Section 221(i) of the Social Security Act;
4. A veteran with a disability rated or paid as total under Title 38 of the United States Code or is considered in need of regular aid and attendance or permanently housebound under Title 38 of the Code;
5. A surviving spouse of a veteran and considered in need of aid and attendance or permanently housebound and incapable of self-support under Title 38 of the Code;
6. A surviving child of a veteran and considered to be permanently incapable of self-support under Title 38 of the United States Code;
7. A surviving spouse or child of a veteran receiving or approved for compensation for a service-connected death or pension benefits for a non-service connected death under Title 38 of the Code and has a disability considered permanent under Section 221(i) of the Social Security Act; or
8. Receiving an annuity payment under:
   a. Section 2(a)(1)(iv) of the Railroad Retirement Act and eligible to receive Medicare as determined by the Railroad Retirement Board; or
   b. Section 2(a)(i)(v) of the Railroad Retirement Act and disabled based on criteria used under Title XVI of the Social Security Act.

Note: A person meets the definition of disabled if s/he has been determined disabled by the agencies/laws which are listed. The individual does not have to be receiving a payment from the agency which determined the disability. For example, if a person is certified to receive SSI but is in a suspended status, s/he would be considered disabled for SNAP purposes.

Disqualified Household Member: A financially responsible individual who purchases and prepares meals with a SNAP household but is disqualified from participation.

Documentation: The policy of providing or supporting a written reason the worker takes a specific action.

Elderly: A household member who is age 60 or older. This includes people who are age 59 when they apply but who will turn 60 by the last day of the month of application.

Electronic Benefits Transfer (EBT): A system that uses electronic funds transfer and point-of sale technology for the delivery and control of SNAP benefits.

Electronic Benefits Transfer (EBT) Card: A plastic card, similar to a debit card that holds the SNAP benefit information. The Nebraska EBT card can be used at Point-of-Sale (POS) machines to buy eligible foods at stores taking part in the EBT program.

Eligible Foods: Any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot foods or hot food products prepared for immediate consumption. Eligible foods include:

1. Seeds and plants to grow foods for personal consumption by eligible households;
2. Meals prepared and served by an authorized chemical dependency treatment center to eligible households, including the meals of children living with their parents in the treatment center;
3. Meals prepared and delivered by an authorized meal delivery service to eligible households; or meals served by a communal dining facility for elderly persons, for SSI households, or both, who are eligible to use SNAP benefits for communal dining;
4. Meals prepared and served by a licensed or certified group living arrangement to residents who are Disabled;
5. Meals prepared by and served by a shelter for battered persons to its eligible residents;
6. Meals prepared and served by a Department approved and authorized public or private non-profit establishment that serves homeless persons; and
7. In the case of homeless SNAP households, meals prepared by a restaurant that contracts with the Department to serve meals to homeless persons at low or reduced prices.

Expanded Resource Program (ERP): The ERP provides individuals with information and referrals about various programs and services that could be of benefit to the household. Programs and services about which information and referral is provided include: ACCESSNebraska web services, Child Care Subsidy, Medicaid, ADC, Refugee Resettlement, Energy Assistance, and Developmental Disabilities.

Expungement: The process of removing EBT benefits from a SNAP recipient's account when there has not been a debit from the account within the last 365 days.

Fair Hearing means a hearing conducted by a Department hearing officer in Lincoln, Nebraska at a date and time set by the Department. An appellant may appear by telephone, in person at the location of the hearing officer, or by telephone or video conference from a local office that is more accessible to the appellant. Department witnesses may appear by telephone or video conference or in person at the location of the appellant.

FNS: The Food and Nutrition Service of the U.S. Department of Agriculture.

General Assistance: Cash or another form of assistance (excluding in-kind assistance) financed by state or local 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.

Good Cause: Circumstances in situations which are beyond the control of the applicant or participant. Good cause as a condition of failure to comply is covered in the specific sections of the manual, where applicable.

Group Living Arrangement: A public or private non-profit residential setting that serves 16 or fewer residents and is licensed or certified by the appropriate state agency. To be eligible for SNAP benefits, a resident must be blind or Disabled.

Homeless Individual: A person who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary lodging;
2. A halfway house or similar facility that provides temporary residence for individuals intended to be institutionalized;
3. Temporary lodging in the home of another individual;
4. A place not designed for, or ordinarily used as, a regular sleeping accommodation for humans.

Homeless Meal Provider: A Department-approved public or private non-profit establishment (such as a soup kitchen or temporary shelter) that feeds homeless persons. A restaurant that contracts with the Department to offer meals at low or reduced prices to homeless persons.

Ineligible Household Member: A financially responsible individual who purchases and prepares meals with a SNAP household but is not eligible to participate.

Initial Month: The first month the household is certified to participate, or the first month the household is certified after not participating for more than one month.

Intentional Program Violation (IPV) means a that person intentionally

1. Made a false statement or misrepresented, concealed, or withheld facts for the purpose of receiving or attempting to receive SNAP benefits to which the person or the person's household was not entitled; or
2. Committed an act that constitutes a violation of the Food Stamp Act, federal or state SNAP regulations, or any state law for the purpose of using, presenting, transferring, acquiring, receiving, possessing or trafficking SNAP benefits.

Interfaces: Automated data exchanges that provide financial and nonfinancial information.

Issuance: The amount of benefits placed in recipient EBT accounts.

Issuance and Collections Center (ICC): The Department staff designated to issue all (EBT) cards and to perform collection activities for SNAP. ICC also coordinates and tracks all transactions with the Treasury Offset Program (TOP).

Local Office: The geographic area office designated by the Department as the administrative unit for local program operations.

Medicaid: Medical assistance received under Title XIX of the Social Security Act.

Migrant: A person who travels away from the place s/he calls home on an overnight basis in order to seek or perform agricultural work at one or more locations.

Non- Public Assistance (NPA) Household: A household that does not meet the definition of a public assistance (PA) household.

Non-Household Member: An individual who lives with the SNAP household but does not receive benefits because:

1. The individual does not purchase and prepare meals with the SNAP household; or
2. The individual purchases and prepares meals with the SNAP household but is denied eligibility by program guidelines.

Overpayment: Payment(s) of more than the amount of benefits a household is eligible to receive.

Program: SNAP as conducted under the Food Stamp Act, and federal and state SNAP Regulations.

Program Evaluation and Review (PER): A review of a statistically valid sample of SNAP cases to determine whether households are receiving the allotment they are entitled to and to ensure that cases are not incorrectly denied or terminated.

Project Area: The administrative unit for operation of the SNAP. In Nebraska, the state has been designated as one project area.

Prospective Budgeting: The computation of a household's SNAP benefit for an issuance month based on the worker's and household's best estimate of income and circumstances which will exist in that month.

Public Assistance (PA) Household: A household in which all members in the SNAP unit are eligible for SSI, AABD, SDP, or ADC benefits (even if the benefit amount is zero), or at least one member is authorized to receive ADC Emergency Assistance or Employment First supportive services. The classification of PA household is not affected by the presence of a legally assigned foster child.

Qualified Work Quarter: A qualified quarter includes earnings covered under Title II of the Social Security Act and earnings not covered by the Social Security Act. Quarters worked in another country can be counted as qualified quarters when social security taxes were required to be paid to the United States.

Countable qualified work quarters for a noncitizen qualifying through 40 quarters are based the sum of:

a. Quarters the non-citizen worked;
b. Quarters credited from the work of a parent of the alien before the non-citizen became 18 (including quarters worked before the non-citizen was born or adopted);
c. Quarters credited from the work of a spouse of the non-citizen during their marriage if they are still married or the spouse is deceased.

Quality Control (QC): Another name for PER.

Reinstatement Month: A month during the certification period when a household's eligibility is re-established. The household had a change in circumstances which determined the household ineligible for a period of 30 days or less. The household receives a prorated amount of benefits during the reinstatement month.

Reporting Categories: There are two separate reporting categories for SNAP households. The reporting categories are:

1. Simplified Reporting; and
2. Transitional Benefit Reporting.

Residents of Facilities: Individuals who reside in but receive no more than 50% of their meals from the following types of residential institutions:

1. Federally subsidized housing for the elderly under Section 202 of the Housing Act of 1959 or Section 236 of the National Housing Act;
2. Chemical dependency treatment and rehabilitation programs;
3. Group homes for Disabled individuals;
4. Shelters for battered persons, who are considered as individual household units for the purpose of applying for and participating in SNAP; and
5. Shelters for homeless persons.

Restoration: Benefits issued to a household due to an underpayment in a prior month.

Retail Food Store: Any of the following:

1. An establishment or a house-to-house trade route whose eligible food sales volume is more than 50 percent staple food items for home preparation and consumption;
2. Public or private communal dining facilities and meal delivery services, chemical dependency treatment and rehabilitation programs, public or private non-profit group homes, or public or private non-profit shelters for battered women and children;
3. Any private non-profit cooperative food purchasing venture, including those whose members pay for food before receipt of the food;
4. Public or private non-profit establishments that feed homeless persons; or
5. A farmer’s market.

Seasonal Farmworker: A person who works on a farm or ranch on a seasonal basis when the work is generally within commuting distance of his/her home. A person who works on his/her own or leased or rented farmland on a year-round or seasonal basis is neither a seasonal farmworker nor a migrant.

Shelter for Battered Women and Children: A public or private non-profit residential facility that serves battered women and their children. If this facility serves other individuals, a portion of the facility must be set aside on a long-term basis to serve only battered women and children.

Sponsor: An individual who has executed an affidavit of support on behalf of an alien as one of the conditions required for the alien's entry into the United States.

Spouse: Either of two individuals:

1. Who would be defined as married to each other under applicable state laws; or
2. Who are living together and presenting themselves to the community as a husband and wife by representing themselves as married to relatives, friends, neighbors, or townspeople.

State Agency: The Central Office of the Nebraska Department of Health and Human Services.

Staggered Issuance: An issuance cycle which ensures households will receive their benefits on the same day of each month.

Suitable Employment: All work is considered suitable unless one of the following situations exists:

1. The wage offered is less than the highest of the three following amounts: the applicable federal minimum wage, the applicable state minimum wage, or 80 percent of the federal minimum wage if neither the federal or state minimum wage is applicable.
   Note: The training wage may be substituted for the federal or state minimum wage in situations that warrant the payment of a training wage. The training wage of at least 85 percent of the federal or state minimum wage may be paid to employees under age 20 for up to 90 days under certain conditions.
2. The employment offered is on a piece-rate basis and the hourly yield is likely to be less than the applicable wages above.
3. The individual is required to join, resign from, or refrain from joining any legitimate labor organization.
4. The work offered is at a site subject to a strike or lock out at the time of the offer, unless the strike has been enjoined under the Taft-Hartley Act or unless an injunction has been issued under Section 10 of the Railway Labor Act.
5. The individual can demonstrate or the local office becomes aware that:
   a. The degree of risk to health and safety is unreasonable;
   b. The individual is physically or mentally unfit to perform the work as documented by medical or other evidence;
   c. Employment offered within the first 30 days is not in the individual's major field of experience;
   d. The nature or hours of the work interfere with the individual's religious observances, convictions, or beliefs; or
   e. The distance of the employment from the individual's home is unreasonable, considering the wages and the time and cost of commuting. Daily commuting time must not exceed two hours per day, not including time required to transport a child to and from a child care facility. The employment is not considered suitable if the distance prohibits walking and public or private transportation is unavailable.

Supplemental: Additional benefits issued to a household within the current month. Supplemental issuances cannot be used to offset overpayments.

Supplemental Security Income (SSI): 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.

Thrifty Food Plan: A determination by the USDA-FNS of the cost of food for various sizes of households.

Timely Notice: A written notice which contains all the elements of adequate notice and also is mailed at least ten calendar days before the action takes place. The mailing date of the notice is day one of the ten-calendar-day period. A timely notice may also be called a notice of adverse action.

Trafficking means:

1. The buying, selling, stealing, or otherwise effecting an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signature, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone;
2. The exchange of firearms, ammunition, explosives, or controlled substances, as defined in section 802 of title 21, United States Code, for SNAP benefits;
3. Purchasing a product with SNAP benefits that has a container requiring a return deposit with the intent of obtaining cash by discarding the product and returning the container for the deposit amount, intentionally discarding the product, and intentionally returning the container for the deposit amount;
4. Purchasing a product with SNAP benefits with the intent of obtaining cash or consideration other than eligible food by reselling the product, and subsequently intentionally reselling the product purchased with SNAP benefits in exchange for cash or consideration other than eligible food;
5. Intentionally purchasing products originally purchased with SNAP benefits in exchange for cash or consideration other than eligible food; or
6. Attempting to buy, sell, steal, or otherwise affect an exchange of SNAP benefits issued and accessed via Electronic Benefit Transfer (EBT) cards, card numbers and personal identification numbers (PINs), or by manual voucher and signatures, for cash or consideration other than eligible food, either directly, indirectly, in complicity or collusion with others, or acting alone.

Verification: Information obtained to establish the accuracy of information provided by the household. The use of third-party information or documentation to establish the accuracy of statements made by the household or provided on the application.

Voluntary Quit: Voluntary termination of employment of 30 or more hours per week or the equivalent of 30 hours per week times minimum wage. An individual who terminates a self-employment enterprise or resigns from a job at the employer's demand is not considered to have voluntarily quit.

1-003 Responsibilities:

1-003.01 National Responsibilities: The federal government is responsible for:

1. Formulating, on a national basis, all policies and procedures which are used by SNAP;
2. Regulating national standards of eligibility; and
3. Determining basis of SNAP benefit issuance for each household size.

The responsibilities for SNAP are defined by Congress and assigned to the USDA and FNS.

1-003.02 State Agency Responsibilities: The Central Office of the Department is responsible for:

1. Statewide supervising and administrating SNAP;
2. Incorporating federal policies regarding SNAP into the Department Manual;
3. Establishing and maintaining a PER system in accordance with FNS requirements; and
4. Serving as a liaison between the local offices and the federal government.

1-003.03 Local Office Responsibilities: The local offices, with the support and direction of the Central Office, directly administer SNAP and are responsible for the following:

1. Adhering to the policies, procedures, and requirements established in the Nebraska SNAP Policy Manual and policy directives;
2. Taking applications, initial and subsequent, from all persons who wish to participate in SNAP and acting on those applications within 30 days (an identifiable application is an application or affidavit containing a legible name and address and the applicant's signature);
3. Certifying eligible participants;
4. Notifying the applicant immediately of this determination (if a household is determined to be eligible, the local office is required to provide an opportunity to participate within 30 days of receipt of a signed application);
5. Restoring lost benefits if the local office fails to comply with the proper time requirements;
6. Determining the level of participation for households;
7. Reporting to the Central Office and FNS/USDA;
8. Employing personnel who are:
   a. Qualified through State Personnel; and
   b. Authorized, when appropriate, for access to SNAP EBT cards and other issuance documents;
9. Safeguarding the information about applicants/participants by:
   a. Maintaining the confidentiality of records, except that information may be disclosed to persons or agencies connected with the administration or enforcement of SNAP, and names and addresses may be shared with agencies conducting nutrition education or outreach programs; and
   b. Sharing and interpreting all data concerning an individual with only that individual or the persons or agencies in conformance with Department policies on client access to information;

10. Ensuring the civil rights of applicants/participants by providing:
    a. Notice of eligibility or ineligibility;
    b. Notice of all adverse action;
    c. Information about and assistance in filing a request for a fair hearing, including an explanation of continuation of benefits;
    d. Equal application of all standards without regard to age, race, color, sex, disability, religion, national origin, or political belief; and
    e. Display of the nondiscrimination poster.
11. Making the SNAP Policy Manual and related instructions available for public inspection at each local office during regular working hours;
    Note: Copies of audits or investigations which are for official use are not to be made available for public examination;
12. Processing recipient claims in accordance with state SNAP instructions;
13. Processing credits for lost benefits in accordance with state SNAP instructions;
14. Establishing procedures and controls to communicate changes in the ADC and Supplemental Nutrition Assistance Programs between the units; and
15. Cooperating with the Central Office Program Evaluation and Review (PER) staff in conducting QC reviews.

{Effective 6/28/11}

1-003.04 Household Responsibilities: The household must be adequately informed both verbally and in writing, of its responsibilities. All households must:

1. Provide accurate and complete information;
2. Obtain needed verification materials;
3. Cooperate with state and federal quality control and audit processes;
4. Provide the worker with the Social Security numbers of household members;
5. Follow the reporting requirements for the category the household is assigned to:
    a. Simplified Reporting; or
    b. Transitional Benefit Reporting; and
6. Contact the agency for an interview within 30 days of the date of application if notified that an interview is required.

1-003.04A Simplified Reporting: Households assigned to the Simplified Reporting category are required to report when the household's gross monthly income exceeds the maximum gross monthly income limit for the household size. This must be reported within ten days after the last day of the month that the household exceeds the maximum gross monthly income limit.

Households that contain a non-exempt Able Bodied Adult Without Dependents (ABAWD) who is working, volunteering, or participating in a work program must report if the ABAWD's work, volunteer or work program hours decrease to below 20 hours per week or below a total of 80 hours per month. This must be reported within ten days after the last day of the month in which the ABAWD's work, volunteer, or work program hours decreased to below 20 hours per week or below a total of 80 hours per month.

Households assigned to this reporting category are not required to report any other changes during the certification period.

1-003.04B Transitional Benefit Reporting: Households assigned to the Transitional Benefit Reporting category are not required to report any changes during the five months they are in this reporting category.

{Effective 6/9/2003}

1-004 Personnel

1-004.01 Merit Personnel: All persons engaged in certification of applicant households for the Supplemental Nutrition Assistance Program must be approved by the local office and in accordance with the State Personnel Rules and Regulations.

Note: Certification of households by clerical staff is not authorized under any circumstances.

{Effective 6/28/11}

1-004.01A Access: Access to EBT cards and issuance documents is limited to employees of:

1. The Central Office;
2. The Issuance and Collection Center; or
3. The federal government who are involved in the administration of SNAP.

1-004.01B Sufficient Staff: The local offices must employ sufficient staff to certify and issue benefits to eligible households within time limit standards contained in the Nebraska SNAP Policy Manual.

1-004.01C Bilingual Requirements: Based on the estimated total number of low income households in the area which speak the same non-English language, the local office shall provide bilingual program information, certification materials, and staff or interpreters for the timely processing of non-English-speaking applicants.

(Single-language refers to households which speak the same non-English language and which do not contain adults fluent in English as a second language.)

The local office must provide the following:

1. Bilingual materials used for program informational activities for the project area with:
   a. Less than 2,000 low-income households if approximately 100 or more of those households are single-language minority households; and
   b. 2,000 or more low-income households if approximately five percent or more of those households are single-language households; and
2. Both bilingual materials and interpreters or staff when -
   a. Each certification office provides service to approximately 100 single-language minority households;
   b. A majority of those households consists of a single-language minority in the project area with less than 100 low-income households; and
   c. A seasonal influx of non-English speaking households moving into the area meets or exceeds any of the above limits.

1-004.02 Volunteers: Local offices may use volunteers in activities such as -

1. Providing program information;
2. Pre-screening; and
3. Assisting applicants in the application and certification process including securing needed verification.

1-005 Records

1-005.01 Disclosure: Use or disclosure of information obtained from applicant households exclusively for the program is restricted to -

1. Persons directly connected with the administration or enforcement of the provisions of the Food Stamp Act or regulations, or with other federal or federally funded assistance programs such as ADC, AABD, Nebraska Medical Assistance Program (NMAP), or SSI;
2. Employees of the United States Comptroller General's Office for audit examination authorized by any other provision of law;
3. Local, state, or federal law enforcement officials, upon a written request. The address, Social Security number, and photograph (if available) of a SNAP recipient must be provided if the officer furnishes the name of the individual and notifies the agency that the individual is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or has information necessary for the officer to conduct an official duty related to a felony/parole violation;
4. Persons connected with the administration of the Income and Eligibility Verification System (IEVS);
5. Persons connected with the administration of the Child Support Program;
6. Persons connected with the verification of immigration status of aliens through SAVE; and
7. Persons connected with federal agencies to allow the offset of a federal employee's salary to reimburse a SNAP claim(s).

{Effective 10/28/96}

1-005.01A Disclosure to Household: If there is a written request by a responsible member of the household, its currently authorized representative, or any person authorized in writing to act in its behalf to review materials contained in the case file, the material and information contained in the case file is available for inspection during normal business hours. However, the local office may withhold confidential information, such as the names of individuals who have disclosed information about the household without the household's knowledge, or the nature or status of pending criminal prosecutions.

1-005.02 Retention: Each local office shall retain all program records for audit and review purposes, for a period of three years from the month of origin of each document. The Central Office shall retain fiscal records and accountable documents for three years from the date of fiscal or administrative closure.

Fiscal closure refers to obligations for or against the federal government that have been liquidated.

Administrative closure means that the Central Office has determined and documented that no further action to liquidate the obligation is necessary.

Fiscal records and accountable documents include, but are not limited to, claims, and documentation of lost benefits.

1-005.02A Destruction of Case File Material: Destruction of outdated case record material must be done in compliance with procedures outlined by the Nebraska Records Management Division.

1-006 Points and Hours: The number of certification sites and hours or issuance hours in the project area must not be reduced without permission of the Central Office.

1-006.01 Certification: Basic certification services provided in the project area must be established so that all households or all but a limited number of households reside within 30 miles of a local office.

1-006.02 Issuance: Issuance services must be established in the project area to allow all eligible applicant households to obtain SNAP benefits within 30 days of application.

1-007 Fair Hearings: The Department must provide a fair hearing to a household that wishes to appeal a Department action or inaction that affects the household's participation, unless the action is not appealable.

Actions that are not appealable include actions that reduce, suspend, or cancel SNAP benefits program-wide; mass changes that affect the SNAP benefit level; or allotment reductions for failure to pay an outstanding Accounts Receivable.

1-007.01 Notification of Right to Appeal

1-007.01A At Time of Application: The local office must inform each household in writing of the following at the time of application:

1. The right to request a fair hearing;
2. The method of requesting a fair hearing;
3. That the household may have its case presented at a fair hearing by:
   a. A household member; or
   b. Any representative chosen by the household.

1-007.01B Other Circumstances: When a household disagrees with the eligibility worker regarding a local office action affecting the household's eligibility, the eligibility worker must:

1. Inform the household of its right to request a fair hearing;
2. Refer the household to any free legal representation or a legal referral service; and
3. Offer the household an agency conference.

1-007.02 Requests for Hearing: Any request for a hearing must be made verbally or in writing by the household or its representative on any appealable action which occurred within the past 90 days. A request for a hearing is defined as a clear expression, oral or written, by the household or its representative that it wishes to appeal a decision. Staff must not limit or interfere in any way with the household's freedom to request a hearing.

Note: If a verbal request is received, the local office must request that the household submit a written request and help the household with the written request if the household requires assistance. If a household makes an oral request and does not submit a written request for a hearing, the local office must complete the procedures necessary to start the hearing process.

Appealable action by the local office includes a denial of a request for restoration of benefits lost more than 90 days but less than a year before the request for restoration. A household may request a fair hearing at any time within its certification period to dispute its current level of benefits.

1-007.02A Request for Expedited Hearing: The local office must expedite hearing requests from households, such as migrant farm workers, which plan to move from the jurisdiction of the local office. Hearing requests from these households must be given priority in processing.

1-007.02A1 Voluntary Withdrawal Request for a Fair Hearing: The household may withdraw a fair hearing request, orally or in writing, any time before a determination (decision) of the fair hearing is made.

If the withdrawal request was made verbally, the Central Office must provide written notice to the household within ten days of the household's request to withdraw, confirming the withdrawal request and providing the household an opportunity to request another hearing if desired. A household is allowed one reinstated fair hearing per appeal.

Coercion or actions which would influence the household or its representative to withdraw the household's fair hearing request are prohibited. A household's request for a fair hearing must not be denied even if the household is a party to another action that differs from the reinstated action.

{Effective 9/4/2002}

1-007.02B Request for Postponement: A household may request a postponement of the scheduled hearing. This postponement must not exceed 30 days; and the time limit for action on the decision may be extended for as many days as the hearing is postponed.

1-007.02C Denial or Dismissal of Request: The HHS Legal Division must not deny or dismiss a request for a hearing unless:

1. The request is not received within the specified time limit;
2. The request is withdrawn, in writing, by the household or its representative; or
3. The household or its representative fails, without good cause, to appear at the scheduled hearing.

1-007.02D Continuation of Benefits: If a hearing request is made within the notice of adverse action period and the household's certification period has not expired, participation must be continued at the same level of benefits, unless the household waives continuation of benefits. If the household does not waive its right to continuation of benefits in writing, the local office must assume the household wishes benefits to continue and must issue the benefits accordingly.

If the local office action is upheld by the hearing decision, the local office must initiate a claim against the household for all overissuances.

If a hearing request is not made within ten days from the date the notice was mailed, the local office must reduce or terminate benefits as provided in the notice. If the local office determines that the household has good cause for failure to make the request within the required time limits, the local office must reinstate the benefits at the level previous to the notice of adverse action being sent.

When benefits are reduced or terminated due to a mass change, the local office must reinstate the household's benefits to the previous level only if the household contests the computation of the SNAP eligibility or benefit level or the application or interpretation of the federal law or regulation.

Once benefits are continued or reinstated, the local office must not reduce or terminate benefits before the hearing decision unless one of the following conditions occurs:

1. The certification period expires. The household may reapply and may be determined eligible for a new certification period with a benefit amount determined by the local office.
2. The household or its representative orally withdraws its request for a fair hearing and does not advise the agency of its desire to reinstate the fair hearing request within the required time frame.
3. The hearing official makes a preliminary determination, in writing and at the hearing, that the sole issue is one of federal law or regulation and that the household's claim that the local office improperly computed the benefits or misinterpreted or misapplied such law or regulation is invalid.
4. A change affecting the household's eligibility or basis of issuance occurs while the hearing decision is pending and the household fails to request a hearing after the subsequent notice of adverse action.
5. A mass change affecting the eligibility or basis of issuance occurs.

The local office must promptly notify the household in writing if benefits are reduced or terminated pending the fair hearing decision.

1-007.03 Hearing Process: Within 60 days of the local office's receipt of a fair hearing request:

1. The hearing must be conducted;
2. A decision must be reached; and
3. The household and local office must be notified of the hearing decision by an Order.

1-007.03A Written Notice: The Department must provide all persons involved with a written notice at least ten days before the Fair Hearing. The notice must:

1. Advise the household or its representative of the name, address, and phone number of a contact person;
2. Specify that the HHS Legal Division will dismiss the hearing request if the household or its representative fails to appear for the hearing without good cause;
3. Include the HHS Legal Division hearing procedures and any other information that would provide the household with an understanding of the proceedings and that would contribute to the effective presentation of the household's case; and
4. Explain that the household or representative may examine the case file before the hearing.

1-007.03B Local Office Responsibilities: Upon request, the local office must make available without charge the specific materials necessary for a household or its representative to determine whether a hearing should be requested or to prepare for a hearing. If the individual making the hearing request does not speak English and the local office employs bilingual staff or interpreters, the hearing procedures must be verbally explained in that language. The local office must advise households of any legal services available that may provide representation at the hearing.

The local office must make available clearly written rules of procedure to any interested person. The rules of procedure must include:

1. Time limits for a hearing request;
2. Advance notification requirements;
3. Timeliness standards;
4. Rights and responsibilities of persons requesting a hearing.

1-007.03C Hearing Officer: The hearing officer must be an employee of the HHS Legal Division or an individual under contract with the Central Office who is designated to conduct hearings. The hearing officer will make recommendations for final administrative decisions.

1-007.03D Household Rights: A fair hearing must be attended by a representative of the local office and the household and/or its representative.

Friends or relatives of the household may attend the hearing, if the household so chooses. The hearing officer has the authority to limit the number of persons in attendance at the hearing if space is limited.

Any person appearing on the household’s behalf may appear by telephone, in person at the location of the hearing officer, or by telephone or video conference from a local office that is more accessible to the person.

Note: A person accused of an intentional program violation is not required to attend his/her administrative disqualification hearing or to send a representative.

The household or its representative must be given the opportunity to take any or all of the following actions:

1. The household or its representative is entitled to examine all documents and records to be used at the hearing at a reasonable time before the date of the hearing as well as during the hearing. The contents of the case file including the application form and documents of verification used by the local office to establish the household's ineligibility or eligibility and allotment level must be made available, provided that confidential information, such as the names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecutions, is protected from release. If requested by the household or its representative, the local office must provide one free copy of the portions of the case file that are relevant to the hearing. Confidential information that is protected from release and other documents or records which the household would not otherwise have an opportunity to contest or challenge must not be introduced at the hearing or affect the Department Director's decision.
2. The household or its representative may present the case or have it presented by legal counsel or another person.
3. The household or its representative is entitled to call or offer witnesses.
4. The household or its representative may advance arguments without undue interference.
5. The household or its representative is entitled to question any testimony or evidence. This includes having an opportunity to cross-examine adverse witnesses.
6. The household or its representative is entitled to submit evidence to establish all pertinent facts and circumstances in the case.

1-007.03E Hearing Decisions: The decision must:

1. Comply with federal laws and regulations;
2. Be based on the hearing record;
3. Be made available to the household;
4. Summarize the facts of the case;
5. Specify reasons for the decision;
6. Identify supporting evidence and pertinent federal regulations; and
7. Become a part of the hearing and case records.

1-007.03E1 Notification of Hearing Decisions: The HHS Legal Division must inform the household and the local office in writing of:

1. The hearing decision and the reasons for the decision;
2. The available appeal rights; and
3. Benefits being issued or terminated within the appropriate time limits.

All hearing records and decisions must be available for public inspection and copying, subject to disclosure safeguards provided that identifying names and addresses of household and other members of the household are kept confidential.

1-007.04 Special Arrangements

1-007.04A Agency Conferences: The local office must offer agency conferences to households that wish to contest a denial of expedited service or to households affected by an agency action.

Use of an agency conference is optional to the household and must in no way delay or replace the fair hearing process. The conference may be attended by the eligibility worker, and must be attended by the supervisor and/or local administrator, and the household and/or its representative. The conference may lead to an informal resolution of the dispute; however, a fair hearing must still be held unless the household makes a written withdrawal of its request. Agency conferences for households contesting a denial of expedited service must be scheduled within two working days, unless the household requests otherwise.

1-007.04B Consolidated Hearings: A single group hearing may be conducted for a series of individual requests where the sole issues being raised are those of state and/or federal law, regulation or policy. Each individual household must be permitted to present its own case or have its case presented by a representative.

1-007.05 Action on Fair Hearings

1-007.05A Decisions Resulting in Benefit Increase: Fair hearing decisions which result in an increase in benefits must be reflected in the allotment issued within 10 days after the receipt of the hearing decision, even if the local office must provide the household with an opportunity to obtain the allotment outside of the normal issuance cycle.

1-007.05B Decisions Resulting in Benefit Decrease: Fair hearing decisions which result in a decrease in benefits must be reflected in the household's next scheduled issuance following the local office's receipt of the hearing decision. If the client has received benefits to which s/he was not entitled pending the fair hearing decision, a claim must be filed. In the case of a disqualification such as a work requirement, the worker must disqualify the household or the household member beginning with the month after the receipt of the fair hearing decision.

1-008 Disqualification Hearings: A disqualification hearing will be initiated by the Special Investigations Unit (SIU) Central Office whenever sufficient documentary evidence has been established to substantiate that a household member has committed an IPV.

The worker must inform the household in writing of the disqualification penalties for committing an IPV each time the household applies for benefits. The penalties are listed in clear, prominent, and bold face lettering on the application form or attachment.

1-008.01 Initiating Disqualification Proceedings

1-008.01A Reporting Requirements: The worker must report cases of suspected (IPV) to the Special Investigations Unit (SIU), Central Office.

1-008.01B Central Office Guidelines: To determine the need for a disqualification hearing or referral for prosecution, the SIU considers the following:

1. A disqualification hearing must be initiated regardless of the current eligibility status of the individual.
2. The burden of proving IPV by clear and convincing evidence is on the Department.
3. The Department must not initiate a disqualification hearing against an individual whose case is currently being referred for prosecution or after any action taken against the accused individual by a court, if the factual issues of the case arise out of the same, or related, circumstances.
4. The Department will refer for criminal prosecution those individuals suspected of committing IPV in cases which meet evidentiary standards of state or federal criminal statutes.

1-008.02 Disqualification Hearing Procedures: The Department must designate either an employee or an individual under contract to the Department to conduct disqualification hearings.

1-008.02A Timeliness Standards: The following timeliness standards must be followed in the disqualification hearing process:

1. The household member suspected of intentional program violation must be given at least 30 days written advance notice of the hearing unless the household requests a waiver of the advance notice in situations when the disqualification and fair hearings are combined.
2. The Central Office has 90 days from the date the accused household member is notified of the hearing to:
   a. Conduct the hearing;
   b. Arrive at a decision; and
   c. Initiate administrative action to make the decision effective.
3. If the hearing is postponed, the time limits are extended for as many days as the hearing is postponed.

1-008.02A1 Scheduling Hearings: The Department will conduct a Disqualification Hearing by a Department hearing officer in Lincoln, Nebraska at a date and time set by the Department, according to the following guidelines:

1. The household member or representative is entitled to one postponement of a maximum of 30 days of the scheduled hearing if the request for postponement is made at least ten days before the scheduled hearing.
2. If the household member or his/her representative cannot be located or fails to appear at a hearing without good cause, the hearing will be conducted without representation for the household member. Even though the household member is not represented, the Director will carefully consider the evidence and determine if IPV was committed based on clear and convincing evidence.
3. If a household member is found to have committed an intentional program violation, but it is later determined by the HHSS Director that the household had good cause for not appearing, the previous decision is no longer valid and the HHS Legal Division will conduct a new hearing.
4. The household member has ten days from the date of the scheduled hearing to present reasons indicating a good cause for failure to appear. The HHSS Director must enter the good cause decision into the record.
5. The household member and any person appearing on the household member's behalf may appear by telephone, in person at the location of the hearing officer, or by telephone or video conference from a local office that is more accessible to the person.

1-008.02A1a Consolidated Hearings: A disqualification hearing may be combined with a fair hearing when:

1. The factual issues of both hearings arise out of the same (or related) circumstances; and
2. The household is notified in advance that the hearings will be combined in a single hearing.

If a disqualification hearing and a fair hearing are combined, the HHS Legal Division must follow the timeliness standards for disqualification hearings.

If the hearings are combined for the purpose of settling the claim amount and determining if intentional program violation has occurred, the household loses its right to a later fair hearing on the claim amount. However, upon the household's request, the local office must allow the household to waive the 30-day advance period when the disqualification hearing and fair hearing are combined.

1-008.02A2 Advance Notice of Hearing: The Special Investigations Unit, Central Office must send an Advance Notice of Disqualification Hearing, to the individual suspected of the intentional program violation at least 30 days before the date of the disqualification hearing. The Advance Notice of Disqualification Hearing is mailed first class mail or certified mail, return receipt requested.

{Effective 1/3/2005}

1-008.02A3 Waived Hearing: The Advance Notice of Disqualification Hearing contains information advising the household of its right to waive the disqualification hearing. If the household wishes to waive a disqualification hearing, the Special Investigations Unit, Central Office will send a waiver of hearing consent form to the household.

{Effective 1/3/2005}

1-008.02A4 Participation While Awaiting a Hearing: A pending disqualification hearing does not affect the right of the individual or the household to be certified and participate in the program. The local office shall determine the eligibility and benefit level in the same manner it would be determined for any other household, until there is a determination that the individual has committed intentional program violation.

If the pending disqualification action does not affect the household's current circumstances, the household would continue to receive its allotment based on the latest certification action or be recertified based on a new application and its current circumstances. If the certification period has expired and the household does not reapply after receiving its notice of expiration, benefits must be terminated.

The worker must also reduce or terminate the household's benefits if there is documentation which substantiates ineligibility or eligibility for fewer benefits and the household fails to request a fair hearing and continuation of benefits pending the hearing. These actions occur even if the documented facts led to the suspicion of intentional program violation and the resulting disqualification hearing.

The worker may have facts which substantiate that a household failed to report a change in its circumstances even though the state has not yet demonstrated that the failure to report involved an act of intentional program violation. In these cases, the worker must reduce or terminate benefits.

1-008.02B The Hearing Official

1-008.02B1 Duties of the Hearing Official: The hearing official shall ensure that:

1. All relevant issues are considered;
2. All persons who testify at the hearing present their evidence as completely and accurately as possible; and
3. The hearing record contains enough evidence to enable the Director to make a decision.

1-008.02B2 Powers of Hearing Official: The hearing official has the power to:

1. Administer oaths;
2. Ask for additional witnesses and question witnesses;
3. Ask that additional documents be brought in;
4. Dismiss witnesses from the room for good and sufficient reason;
5. Recess, continue, or close the hearing at any time there is good and sufficient reason for so doing; and

6. Regulate the conduct and course of the hearing in accordance with due process and keep the hearing orderly and to the point by excluding and discouraging evidence which is not relevant.

1-008.02B3 Hearing Decision Authority: The power to make the final disqualification hearing decision is vested in the Director.

1-008.02C Conduct of the Hearing: Disqualification hearings will be conducted by the hearing official as informal hearings, but witnesses will be placed under oath.

1-008.02C1 Attendance at the Hearing: The hearing will be attended by a representative of the Department. The suspected household member and/or his/her representative are encouraged to attend, but their presence is not required. The hearing is not open to the public, but friends or relatives of the household may attend if the household so chooses. However, the hearing official has the authority to limit the number of persons in attendance at the hearing if space is limited or if persons in attendance must be limited to ensure an orderly hearing.

1-008.02C2 Recording the Hearing: Disqualification hearings are recorded by either mechanical equipment and/or a stenographer.

1-008.02C3 Order of the Hearing: The hearing will begin with introductions by the hearing official. At this time the hearing official must advise the suspected household member or the representative that s/he may refuse to answer questions during the hearing. The Department's representative will present the state's case first. The household member or the representative will then present his/her case.

1-008.02D Recessing the Hearing: The hearing official may order a recess if s/he considers it necessary to request, receive, or obtain additional testimony or evidence in order for the Director to decide the issues being raised. The hearing official must advise the household member or his/her representative of the reason for the recess and the nature of the additional information that is required. The hearing must be reconvened when the witness, document, or other evidence is available so that the household member will have an opportunity to question or refute any testimony or other evidence received. When reconvened, the hearing is conducted as any other disqualification hearing.

1-008.02E Admission of Evidence After Hearing is Closed: Evidence may be submitted after a hearing is closed. However, copies of any new evidence must be sent to interested parties, together with an explanation of the right to explain or refute new evidence.

1-008.03 Hearing Decision

1-008.03A Criteria for Determining Intentional Program Violation: The HHS Director must base the determination of intentional program violation on clear and convincing evidence which demonstrates that the household member knowingly, willfully and with deceitful intent committed an intentional program violation.

1-008.03B Decision Format: On the basis of the evidence presented, the Director must enter a final decision which:

1. Specifies the reasons for the decision;
2. Identifies the supporting evidence;
3. Identifies the pertinent FNS regulation; and
4. Responds to reasonable arguments made by the household member or representative.

1-008.03C Disqualification Penalties for Intentional Program Violation: An individual found to have committed an intentional program violation, either through an administrative disqualification hearing or by a federal, state, or local court, or who has signed either a waiver of right to an administrative disqualification hearing or a disqualification consent agreement in cases referred for prosecution, must be disqualified from in the SNAP Program as follows, except as otherwise provided.

1. Twelve months for the first IPV;
2. Twenty-four months for the second IPV; and
3. Permanently for the third IPV.

Only the individual convicted of or found to have committed IPV is disqualified, not the participating household. The first month of the disqualification must begin within 45 days of the receipt of the notice informing the household of the disqualified individual. The period of disqualification begins regardless of whether or not the individual is a member of a participating household. The disqualified individual is a financially responsible household member.

1-008.03D Disqualification Penalties for Use of SNAP Benefits in the Sale of a Controlled Substance: An individual found guilty by a federal, state, or local court of having used or received SNAP benefits in a transaction involving the sale of a controlled substance is disqualified from participation in the SNAP Program. The disqualification periods for this violation are:

1. Twenty-four months for the first violation; and
2. Permanently for the second violation.

Only the individual convicted of this violation is disqualified, not the entire household.

1-008.03E Disqualification for Trafficking of SNAP Benefits: An individual convicted by a federal, state, or local court of having trafficked SNAP benefits for an aggregate amount of $500 or more is permanently disqualified from the program. Only the individual convicted of the violation is disqualified not the entire household.

1-008.03F Disqualification of an Individual with Drug-Related Convictions: An individual must have committed the violation and been convicted after August 22, 1996, of a felony involving drugs. The violation and conviction must have an element of possession, use, sale, or distribution, including the intent to sell or distribute, of a controlled substance as part of the court record. Only the individual is disqualified, not the entire household.

An individual is permanently disqualified when:

1. S/he has three or more drug-related felony violations and convictions involving the possession or use of a controlled substance;
2. S/he has been convicted of a felony involving the sale or distribution of a controlled substance, including the intent to sell or distribute; or
3. S/he has fewer than three drug-related felony violations and convictions for the possession or use of a controlled substance but does not participate in or has not completed an approved substance abuse treatment program since the date of the last conviction.

{Effective 4/10/2006}

1-008.03F1 Individuals With Fewer Than Three Drug-Related Felony Convictions: Individuals who have less than three drug-related felony convictions for the possession or use of a controlled substance may be eligible for SNAP benefits. When the convicted drug felon is participating in or has completed a nationally accredited or state-licensed substance abuse treatment program since the date of last conviction, s/he is not disqualified from the SNAP Program. The determination of participation or completion of the substance abuse treatment program must be made by the provider administering the program.

The individual would not be disqualified from SNAP:

1. During the participation in and upon completion of the approved substance abuse treatment program following the first drug-related felony conviction; or
2. During the participation in and upon completion of the approved substance abuse treatment program after the second drug-related felony conviction.

1-008.03G Disqualification of Fleeing Felons and Probation or Parole Violators: An individual is disqualified from participation if s/he is:

1. Fleeing to avoid prosecution or custody for a crime, or an attempt to commit a crime that would be classified as a felony (or in the State of New Jersey, a high misdemeanor); or
2. Violating a condition of probation or parole under a federal or state law.

Only the individual is disqualified, not the entire household.

{Effective 9/4/2002}

1-008.03H Disqualification for Fraudulent Information: An individual found guilty by a federal, state, or local court or by a state agency of having made a fraudulent statement or false representation with respect to his/her identity or place of residence in order to receive multiple SNAP benefits simultaneously is disqualified from participation in the SNAP Program for a period of ten years. Only the individual is disqualified, not the entire household.

1-008.03J Disqualification for Use of SNAP Benefits to Purchase Firearms, Ammunition, and Explosives: An individual found guilty by a federal, state, or local court of having used or received SNAP benefits in a transaction involving the sale of firearms, ammunition, or explosives is permanently disqualified from participation in the SNAP Program. Only the individual is disqualified, not the entire household.

1-008.04 Appeal Rights of the Household: No further administrative appeal procedure exists after a hearing decision is made which is adverse to the household member. A determination of intentional program violation cannot be reversed by a subsequent fair hearing decision on the same level. However, the household member is entitled to seek relief in a court having appropriate jurisdiction under Neb. Rev. Stat. Section 84-917. The period of disqualification may be subject to stay or other injunctive remedy.

1-008.05 Court-Imposed Penalties: A court of appropriate jurisdiction, either the State, a political subdivision of the State, or the United States as prosecutor or plaintiff, may find an individual guilty of civil or criminal fraud. Court decisions will not address disqualification periods. Court orders regarding penalties for intentional program violation which are received by the local office must be referred to Food Programs and Office of the General Counsel at the Central Office.

Court ordered penalties may be imposed separate and apart from any action taken by the Central Office to disqualify the individual through a disqualification hearing unless it is contrary to the court order.

1-008.05A Notice of Court Decision: If the court finds that the household member committed intentional program violation, the worker contacts the Special Investigations Unit for further instructions. After receiving instructions from the Special Investigations Unit, the worker mails a written notice to the household member before the disqualification whenever possible. The notice must inform the household member of the decision and the reason for the decision. The worker must send the remaining household members a notice of the hearing decision and the allotment amount for the next month, if appropriate.

1-008.05B Reversed Intentional Program Violation Disqualifications: In cases where the determination of intentional program violation is reversed by a court of appropriate jurisdiction, the individual must be reinstated in the program if the household is eligible. The worker must restore any benefits that were lost as a result of the disqualification.

1-009 Program Informational Activities: Program informational activities convey information about the SNAP Program, including household rights and responsibilities, to applicant and recipient households through means such as publications, telephone hot lines, films, media, and face-to-face contacts.

1-009.01 Posters and Pamphlets: The local office must display available posters which provide information on civil rights, claims, overpayments, and SNAP benefit reduction. All program informational material must be available in languages other than English and must include a statement that the program is available to all persons without regard to age, race, color, sex, disability, religion, national origin, or political beliefs.

CHAPTER 2-000 CLIENT PROCESSING

2-001 Application: Application is the first step in client processing.

Application forms must be readily accessible to any group, organization, or private citizen who requests them.

2-001.01 Right to File: The local office must protect an individual's rights during the application process. The local office must post signs in the certification office which explain the application processing standards and the right to file an application on the day of initial contact.

Every household must be given an opportunity to receive an application on the same day it expresses an interest in receiving SNAP benefits, and the worker must encourage the household to file the application the same day it is requested. If the local office receives a request for an application, the form must be mailed to the household on the date of the request.

{Effective 6/28/11}

2-001.02 Application Process: The application process must be completed no later than 30 days following the date the application was filed, unless processing is delayed. The following steps are included in the application process:

1. The individual completes and files an application form;
2. The worker screens from the application to determine eligibility for expedited service;
3. The worker schedules and conducts the interview;
4. The worker verifies the information as required; and
5. The worker enters information on the automated system.

Eligible households are given an opportunity to participate within 30 days from the date the application was filed. This opportunity includes allowing sufficient mailing time for the household to receive its EBT card.

{Effective 12/26/07}

2-001.02A Filing an Application: Households may submit SNAP applications to the local office in person, by mail, by fax or other electronic transmission, or through an authorized representative. The household may file an incomplete application which minimally must include the applicant's name, address, and the signature of a responsible member of the household or the authorized representative.

Applications signed with a mark (X) must be witnessed. The household does not have to be interviewed before the application is filed. An application containing the minimal information is considered filed on the day it is received by the agency.

The agency must enter the date of receipt on the appropriate application form. When a faxed application is received in the office during a non-work day, it must be documented as being received the first work day following the date the fax or other electronic transmission was received in the agency office. Time standards for application processing begin with this date. The worker must screen each application to determine if the household is eligible for expedited service. When a resident of an institution jointly applies for SSI and SNAP benefits before leaving the institution, the filing date of the application is the date of release from the institution.

Applications must be pended on the automated system within two working days from the date the application is filed with the agency.

{Effective 6/28/11}

2-001.02B Withdrawing an Application: The household may voluntarily withdraw its application at any time before the determination of eligibility.

The worker must document in the case file that contact was made with the household to confirm the withdrawal and must also document the reason for the withdrawal. The household must be advised of its right to reapply at any time after a withdrawal. The agency must not allow an application to be withdrawn once the eligibility determination has been made.

2-001.02C Time Standards: The agency is required to process applications so that eligible households are allowed an opportunity to participate in the program within 30 days after the application is filed. Certain households are entitled to expedited service and if eligible must be allowed to participate within seven days.

At initial application the appropriate time standard must include the time needed for the receipt of the Electronic Benefits Transfer (EBT) card. At recertification or when there has been a break in service the time standard must include the time needed for the receipt of a replacement card, if needed.

2-002 Interviews: The interview portion of the application process allows the worker to explain the Supplemental Nutrition Assistance Program and to discuss information on the application with the applicant. Interviews may be conducted in person or by telephone. Interviews may be conducted at a mutually acceptable location other than the household's home or the SNAP office. Households must have an interview at initial application and at recertification.

A face-to-face interview must be held if the household requests one. If a client, for good reason, is unable to conduct a face-to-face interview in the DHHS office, then the worker and the client must identify a mutually acceptable time and place, such as a hospital, senior or community center, or the client's home.

Unless the household requests a face-to-face interview, a telephone interview must be conducted. The agency may conduct a face-to-face interview if there is questionable information on the application.

{Effective 6/28/11}

2-002.01 (Reserved)

2-002.02 Scheduling Interviews: The agency must schedule an interview for all applicant households who are not interviewed on the day they submit their application. The interview must be scheduled as soon as possible to ensure that eligible households receive an opportunity to participate within 30 days after the application is filed.

At initial application the appropriate time standard must include the time needed for the receipt of the Electronic Benefits Transfer (EBT) card. At recertification or when there has been a break in service the time standard must include the time needed for the receipt of a replacement card, if needed.

2-002.02A Missed Interview: If a household fails to appear for the first interview, the household must be notified in writing that they missed the scheduled interview. The household must be advised that they are responsible for rescheduling the missed interview.

If the household contacts the local office within 30 days after the application filing date, a second interview must be scheduled. The household's application must not be denied before the 30th day after the application filing date if it is due to the household missing the first interview.

{Effective 1/3/2005}

2-002.03 Site of and Attendance of Interviews: Interviews may be conducted by telephone or at the SNAP office or another mutually agreed upon location, including a household's residence. If the interview will be conducted at the household's residence, it must be scheduled in advance with the household. The interview must be conducted with the head of household, his/her spouse, another responsible household member, or an authorized representative.

{Effective 6/28/11}

2-002.04 Confidentiality of Interviews: The worker must conduct the interview as an official and confidential discussion of household circumstances. The applicant's right to privacy must be protected during the interview, and steps must be taken to preserve the privacy and confidentiality of the information provided at the interview.

2-002.05 Content of Interview: The worker must go beyond a simple review of the information on the application by exploring and resolving any unclear or incomplete information with the household. During the interview, the worker must explain:

1. The application process;
2. The household's rights, including the right to appeal and the method of filing an appeal;
3. The penalty warning on the application including the penalties for intentional program violation;
4. The work requirements, including ABAWD work requirements, if applicable;
5. The household's responsibility to:
   a. Comply with all requirements;
   b. Notify the worker of the changes required to be reported;
   c. Cooperate with quality control reviews and audits; and
6. To households also applying for or receiving PA benefits that time limits and other PA-related requirements do not apply to the receipt of SNAP benefits. Households that cease receiving PA benefits because they have reached a time limit, have begun working, or for other reasons may still qualify for SNAP benefits.

The worker must obtain written consent for verifications and, if appropriate, must register all nonexempt household members for work. The worker must also provide the household with written notice of its rights.

{Effective 07/17/2013}

2-002.05A Racial/Ethnic Group Data: The individual making application may indicate his/her racial or ethnic group on the application. It is a federal requirement that this information be submitted to FNS-USDA on an annual basis.

The worker must enter the racial data on the automated system. An annual report of SNAP participation by racial group is compiled based on information entered on the automated system.

{Effective 6/28/11}

2-003 Verification

2-003.01 Required Initial Verification: Information listed below must be verified before eligibility can be determined.

Exception: Households eligible for expedited processing may have all verification postponed for the first issuance except identity of the person making the application and the household's authorized representative, if applicable.

1. Required verification:
   a. Identity of the person making application and the authorized representative, if applicable;
   b. Social Security numbers or proof of application for Social Security number;
   c. Residency;
   d. Alien status for household members applying for SNAP benefits;
   e. Eligible student status if claimed;
   f. Resources if the total amount of countable resources indicated on the application is $1500 or more;
   g. Income; and
   h. Expenses allowed as a deduction:
      (1) Medical expenses and disability if claimed;
      (2) Dependent care costs; and
      (3) Child support costs;
2. Eligibility factors verified if questionable:
   a. Citizenship;
   b. Work requirements;
   c. Household composition;
   d. Shelter costs;
   e. Utility costs; and
   f. Countable resources under $1,500.

{Effective 6/28/11}

2-003.01A Questionable Information: Information on the application is questionable if it is inconsistent with:

1. Statements made by the applicant;
2. Other information on the current application or a previous application; or
3. Any information received by the local office.

2-003.01A1 Discrepancies: If information from a source of verification contradicts information given by the household, the worker allows the household to resolve the discrepancies before the eligibility determination.

2-003.02 Sources of Verification: The worker must use documentary evidence as the primary source of verification for all eligibility factors except residency or household composition, if questionable. Residency or household composition may be verified through either readily available documentary evidence or a collateral contact.

2-003.02A Documentary Evidence: Any written confirmation of a household's circumstances (such as wage stubs) is considered documentary evidence. The worker must not limit documentary evidence to any single type of document. This evidence may be obtained from the household or another source. The worker must accept any reasonable documentary evidence provided by the household. If documentary evidence cannot be obtained or is insufficient to make a firm determination of eligibility or benefit level, the worker must substitute a collateral contact or a home visit.

{Effective 6/28/11}

2-003.02B Collateral Contact: An alternate source of verification is the collateral contact. This is confirmation of a household's circumstances by a person outside the household. A collateral contact is not restricted to any particular individual; it can be anyone who is expected to provide an accurate verification of the household's statements. Collateral contacts are designated by the household, but the household may request assistance from the local office in making this designation. When the worker decides the collateral contact is unacceptable, the worker must ask the household to name another collateral contact. Verification by a collateral contact may be given in person or by telephone. Documentation regarding the collateral contacts must be noted in the case file.

2-003.02C Home Visit: A visit to the household's home is used for verification only when the household cannot provide documentary evidence. The worker must schedule home visits with the household in advance.

2-003.02D Interfaces – Automatic Exchanges: Interfaces are automated exchanges of information received from the Department of Labor, Social Security Administration, Internal Revenue Service, and other divisions of our agency. The interface process begins when an individual is added to the automated system. Every pending or active SNAP household member whose income and resources are used to determine eligibility will have his/her SSN routinely matched against automated exchanges.

{Effective 6/28/11}

2-003.03 Responsibility for Providing Verification: The household has the primary responsibility for providing verification to support income statements and to resolve questionable information. The worker must not require the household to present verification in person at the local office. Verification may be supplied in person, through the mail, electronically, or through an authorized representative. The worker must offer assistance to households in obtaining verification provided the household is cooperating with the worker during the application process. The worker is responsible for getting verification from acceptable collateral contacts.

{Effective 9/4/2002}

2-003.04 Verification After Initial Certification

2-003.04A At Recertification: At the time of recertification the worker verifies:

1. Resources if the total amount of countable resources indicated on the application is $1500 or more;
2. Earned income;
3. Unearned income if the source or the amount has changed;
4. Medical expenses, dependent care costs, and child support costs claimed by the household if any changes have occurred since last verified;
5. Social Security numbers if not previously provided; and
6. Questionable information.

Changes reported at the time of recertification are subject to the same verification procedures that apply at initial certification.

{Effective 6/28/11}

2-003.04B During the Certification Period: Verification requirements during the certification period are determined by the household's reporting category.

2-004 Processing Applications Under Special Circumstances: Certain types of applications have special processing procedures: This section describes these applications and their processing standards. Special procedures are used for households which are:

1. Entitled to expedited service including migrant and seasonal farm workers;
2. Applying for ADC, AABD, Emergency Assistance, Employment First supportive services, or the State Disability Program;
3. Applying for or receiving Supplemental Security Income (SSI);
4. Living in chemical dependency treatment centers or group living arrangements including shelters for battered women and children;
5. Furnishing board to individuals;
6. Using an authorized representative to apply;
7. Categorically eligible;
8. Providing foster care; and
9. Eligible for the Expanded Resource Program.

2-004.01 Expedited Service: Expedited service standards require that processing be completed with timeframes that are shorter than the usual 30 days. If this is an initial application, the criteria apply to the month of application.

The household may be certified under expedited service procedures if they are determined to be entitled to expedited service and have either provided all the required verifications since the last certification or have been certified under the 30-day processing standards since the last expedited service certification. If otherwise eligible, a household cannot waive its right to expedited service.

If otherwise eligible, the following households are entitled to expedited service.

1. Households with less than $150 in monthly gross income provided their liquid resources do not exceed $100;
2. Households whose combined monthly gross income and liquid resources are less than the household's monthly rent or mortgage and utilities; and
3. Migrant or seasonal farmworkers who are destitute provided their liquid resources do not exceed $100.

2-004.01A Special Procedures for Expedited Service: The worker must follow special procedures in determining eligibility for households which may be entitled to expedited service.

2-004.01A1 Expedited Application: When an application is received by a local office, it is screened for entitlement to expedited service upon receipt. If the household appears at the local office and submits an application, the application should be screened prior to the household leaving the local office. If the household leaves before screening can be completed or submits an application through the mail, fax or other electronic transmission, it is screened upon receipt.

If the application is complete enough to determine the household is entitled to expedited service, the expedited time frame starts with the receipt date of the application. The local office schedules an interview to meet the expedited time frame. If an application is not complete enough to determine if the household is entitled to expedited service, the local office schedules an interview to meet the expedited time frame. If an interview is scheduled and the household does not appear for the interview, the local office sends the household a Notice of Missed Interview (NOMI). If the interview is not rescheduled by the household in time to meet the expedited time frame from the receipt date of the application, the household loses its entitlement to expedited service and the application is approved or denied within the normal 30 days.

2-004.01A2 Verification: Once a collateral contact is named, the worker must act promptly to help the household obtain verification.

2-004.01A2a Identity: Before initial certification, the worker must verify the identity of the person making the application in all cases. If an authorized representative makes application, the worker must verify the identity of the head of the household and the authorized representative.

If identity cannot be verified within the expedited timeframe, the household is not entitled to expedited processing.

2-004.01A2b Residency: All reasonable efforts must be made to verify the household's residency within the expedited processing time frames.

2-004.01A2c Resources: The worker must verify the resource level if the total amount of countable resources indicated on the application is $1500 or more during the application process if it can be done within the expedited time frames. If the household has more than $100 in liquid resources, the household is not entitled to expedited processing.

If the household is determined to have excess resources, the household is not entitled to receive SNAP benefits.

{Effective 6/28/11}

2-004.01A2d Income: The worker must verify that the household's total monthly income is $149.99 or less if it can be done within expedited time frames.

If the household is determined to have excess income, the household is not entitled to receive SNAP benefits.

{Effective 6/28/11}

2-004.01A2e Deductions:

2-004.01A2e(1) Medical: If the worker is unable to verify the household member's eligibility for the medical deduction and expenses, the following procedures apply:

1. If the worker is unable to verify disability within expedited guidelines, the worker must allow the medical deduction for the first issuance. To allow the medical deduction for the second issuance, verification is required;
2. If the household claims medical expenses and no insurance, the worker must allow the client's estimate of expenses for the first issuance;
3. If the household claims medical expenses and insurance, the worker must ask the household what portion will be reimbursed by insurance and allow the portion of the medical expenses which will not be reimbursed as a deduction for the first issuance; and
4. If the household is unable to provide information on which portion is reimbursable by insurance, no deduction is allowed.

In all cases, verification must be provided before the second issuance of the certification period or the worker must remove the expense from the budget.

2-004.01A2e(2) Dependent Care: If the household claims an allowable dependent care expense that is not reimbursed from another source and the worker is unable to verify the expense in time to meet the expedited timeframes, the worker must use the client's statement for the initial issuance. To allow the dependent care deduction for the second issuance, verification is required.

2-004.01A2e(3) Housing and Utilities: The household is entitled to expedited processing if their combined monthly gross income and liquid resources are less than the household's monthly rent or mortgage payment and utility allowance.

If the household is responsible for utilities, either the Standard Utility Allowance (SUA), Limited Utility Allowance (LUA), One Utility Allowance (OUA) or Telephone Allowance are used for the utility deduction.

{Effective 6/28/11}

2-004.01A2e(4) Child Support: When the household is entitled to expedited processing and has an obligation to pay child support for a non-household member, the worker must use the client's statement for the first issuance. To allow the child support deduction for the second issuance, verification is required.

{Effective 9/4/2002}

2-004.01A2f Social Security Number: The worker must ask a household to furnish or apply for a Social Security number for each household member before certification. Certification must not be delayed if the SSN(s) is not provided within the expedited timeframe.

Parents of a newborn child may apply for an SSN for the child at the hospital when this service is available. A household must provide proof of application for an SSN for a newborn child at its next recertification or within six months following the month the baby is born, whichever is later.

{Effective 9/4/2002}

2-004.01A2g Work Registration: Household members who must be work-registered meet this requirement when they are included on the signed application.

{Effective 6/25/95}

2-004.01A2h Other Verification: Verifications that cannot be obtained in time to meet expedited processing standards must be postponed. All required verifications must be provided before the second issuance of the certification period.

{Effective 6/25/95}

2-004.01B Processing Standards for Expedited Service

2-004.01B1 Issuance of Electronic Benefits Transfer (EBT) Card: The EBT card must be available for the household or its authorized representative no later than the seventh calendar day after the application filing date.

{Effective 6/9/2003}

2-004.01B2 Combined Allotment: The prorated first month's expedited benefit and the full second month's aggregate benefits must be issued to households entitled to expedited service which apply for SNAP benefits on or after the 16th of the month, and, at a minimum, provide verification of the identity of the person making application and the authorized representative if applicable. The household must be eligible for the application month and the second month of the certification period. The second month's benefit is an aggregate benefit. All of the following conditions must be met to be an aggregate benefit:

1. The application month must be expedited;
2. The eligibility for benefits must be determined during the application month;
3. The application date must be the 16th of the month or later; and
4. The household must be eligible for benefits for both the application month and the following month.

2-004.01B3 Interviews: An expedited household must have a face-to-face interview before certification to complete the application process unless the household qualifies for a waiver of the face-to-face interview.

If the face-to-face interview is waived, a telephone interview must be completed.

{Effective 12/26/2007}

2-004.01B4 Late Determinations: If the initial expedited screening fails to identify that a household is entitled to expedited service and the worker later learns of this entitlement, the worker must:

1. Provide expedited service; and
2. Use the date the worker learns that the household is entitled to expedited service instead of the application filing date when determining time limits for expedited processing.

2-004.01C Certifying Households Entitled to Expedited Service: There is no limit to the number of times a household can be certified under the expedited procedures as long as the household has provided the required verifications or was certified under the 30-day processing standards since the last expedited certification.

When a household is determined not to be eligible for expedited service, the worker must process the application within 30 days.

2-004.01D Destitute Households: Migrant or seasonal farmworker households may have little or no income at the time of application and may be in need of immediate food assistance, even though they receive income at some time during the month of application. The following procedures must be used to determine when migrant or seasonal farmworker households in these circumstances may be considered destitute and, therefore, entitled to expedited service and special income calculation procedures.

2-004.01D1 Terminated Income: A household whose only income for the month of application was received before the date of application, and was from a terminated source, must be considered a destitute household and must be provided expedited service.

1. If income is received on a monthly or more frequent basis, it must be considered as coming from a terminated source if it will not be received again from the same source during the balance of the month of application or during the following month.

2. For a household that normally receives income less often than monthly, the income must be considered as coming from a terminated source if it will not be received in the month in which the next payment would normally be received.

2-004.01D2 New Source of Income: A household whose only income for the month of application is from a new source must be considered destitute and must be provided expedited service if income of more than $25 from the new source will not be received by the 10th calendar day AFTER the date of application.

1. Income which is normally received on a monthly or more frequent basis must be considered to be from a new source if income of more than $25 has not been received from that source within 30 days BEFORE the date the application was filed.

2. If income is normally received less often than monthly, it must be considered to be from a new source if income of more than $25 was not received within the last normal interval between payments.

2-004.01D3 Terminated Source and New Source: Households may receive both income from a terminated source before the date of application and income from a new source after the date of application and still be considered destitute if they receive no other income in the month of application and income of more than $25 from the new source will not be received by the tenth calendar day AFTER the date of application.

2-004.01E Consideration of Income for Destitute Households: These procedures apply at initial certification and at recertification but only for the first month of the certification period. Once a household is determined destitute, the worker must use the following guidelines in considering income:

1. For initial applications and for recertifications taken more than 30 days after the certification period has expired:
   a. Consider in full any income received between the first of the month and the application date; and
   b. Disregard any income from a new source that is anticipated to be received after the application date;
2. For recertifications before the certification period has expired or in the first 30 days after its expiration, disregard income in the first month of the new certification period from a new source if income of $25 or more will NOT be received by the tenth calendar day AFTER the household's normal issuance cycle.

{Effective 6/25/95}

2-004.01E1 Travel Advances: Some employers provide travel advances to cover the travel costs of new employees who must journey to the location of their new employment. These payments are excluded as reimbursements. Receipt of travel advances will not affect the determination of when a household is destitute.

If the travel advance is an advance of wages later earned by the employee and the advance is by written contract, the travel advance must be counted as income.

The receipt of a wage advance for travel costs of a new employee does not affect the determination of whether subsequent payments from the employer are from a new source of income, nor whether a household must be considered destitute.

2-004.01E2 Sources of Income: A household member who changes jobs but continues to work for the same employer must be considered as still receiving income from the same source. A migrant farmworker's source of income must be considered to be the same grower for whom the migrant is working at a particular point in time~~,~~ and not the crew chief.

A migrant who travels with the same crew chief but moves from one grower to another must be considered to have moved from a terminated income source to a new source.

Expedited service procedures will be followed when determining eligibility for migrant and seasonal farmworker households.

2-004.01F Migrants: If a migrant household which is eligible for expedited services applies on or before the 15th of a month, the local office must notify the migrant household in writing that it must provide:

1. Postponed verification from sources within the state before the second issuance; and
2. All verification from out-of-state sources before the household's third issuance.

If a migrant household which is eligible for expedited services applies after the 15th of a month, the local office must notify the migrant household in writing that it must provide all postponed verifications before the third month of the certification period to continue to be eligible to receive benefits.

The notice must also advise the household that if verification results in changes in a household's eligibility and benefit levels, the local office will act on these changes without sending the household a notice of adverse action.

{Effective 6/25/95}

2-004.01F1 Out-of-State Verification: Migrant households are entitled to postpone out-of-state verification only once each season. If a migrant household requesting expedited service has already been allowed to postpone out-of-state verification during the current season, the local office must grant a postponement only for the initial month's issuance and not for the second month's issuance.

2-004.01F2 In-State Verification: When in state verification that has been postponed is received, the local office must issue the second month's benefits within seven calendar days from receipt of the verification or the first of the second month, whichever is later.

{Effective 10/28/96}

2-004.01F3 Recertification: Verification factors are treated the same at time of recertification as at initial application with two exceptions as follows:

1. If a household has postponed providing verification at time of last certification, the verification must be provided before recertification; and
2. If a household reported a change within the certification period that resulted in a benefit decrease and it was not verified, verification of the change must be obtained before recertification

2-004.02 Assistance Households

2-004.02A Application Procedures: Households in which all members are applying for ADC, AABD, or the State Disability Program must be allowed to apply for SNAP benefits at the same time they apply for assistance benefits. The SNAP eligibility and benefit level determinations are based solely on SNAP criteria.

Households whose assistance applications are denied must not be required to complete a new SNAP application. The worker must determine or continue SNAP eligibility for these households on the basis of the application filed for SNAP purposes and any other documented information obtained after the application which may have been used in the determination and which is relevant to the SNAP eligibility or benefit level.

The local office must encourage county-administered relief programs, the Bureau of Indian Affairs, or any other local agencies to advise households of possible SNAP eligibility, provide applications, and allow households to leave signed applications.

2-004.02B Interviews: At initial application, the local office must conduct a single interview for both the SNAP and assistance programs including ADC, AABD, and State Disability. Assistance households must not be required to see different eligibility workers or have two interviews to obtain assistance and SNAP benefits. Following the single interview, separate workers may process SNAP and assistance applications.

2-004.02C Certification: All requirements for procedures, notices, and time standards apply to the certification of assistance households as well as to households not receiving assistance.

2-004.02D Verification: Evidence provided for required assistance verifications may also be used for SNAP verifications if the evidence meets SNAP verification requirements.

2-004.02E Anticipation of Grant: If the worker can anticipate the amount and receipt date of the first grant and if this receipt date is in a subsequent month, the worker must vary the household's SNAP benefit level according to the anticipated receipt of payment. The worker must notify the household of this action on the approval notice. If the amount or receipt date of the first grant cannot be reasonably anticipated at the time of the SNAP eligibility determination, the worker must handle the grant as a change in circumstances when it is received.

If the household is notified in advance in writing that its SNAP benefits may be reduced or terminated when the grant is received, a notice of adverse action is not required. However, if the worker has not previously notified the household of the potential reduction or termination, the worker must notify the household of the action on the approval notice.

2-004.02F Time Standards: The worker must follow the required 30-day application processing standards. Action on the SNAP application must not be delayed or denied on the grounds that the assistance determination has not been made.

2-004.03 Supplemental Security Income (SSI) Households: Households in which all members are recipients of or applicants for Supplemental Security Income (SSI) may have their applications for SNAP processed under the guidelines of this subsection. The Social Security Administration (SSA) may complete and forward initial and recertification SNAP applications for these households to the local office.

2-004.03A Social Security Administration (SSA) Responsibilities: SSA is responsible for the following case actions:

1. Informing SSI households of their right to apply for SNAP benefits, either through the SSA office or the local office;
2. Referring households which do not qualify for SSI/SNAP joint processing to the appropriate local office;
3. Accepting, completing, and forwarding signed applications from SSI households to the appropriate local office within one working day including applications for residents of institutions after release from the institution;
4. Returning a completed application to the household for signature when application is taken by telephone and informing the household that the signed application must be forwarded to the SSA office or the local office;
5. Screening all applications for expedited services on the day the SSA receives the signed application and marking "Expedited Processing" on the first page of all applications which appear to be eligible for expedited services; and
6. Informing households which appear to meet the criteria for expedited service that benefits may be issued a few days earlier if the household applies directly at the local office.

2-004.03B Local Office Responsibilities: The local office is responsible for the following case actions:

1. Determining if members of SSI households whose applications are forwarded by SSA are already participating in the SNAP Program;
2. Determining eligibility for expedited services beginning with either the date the signed application is received at the local office, or, if processed before release at an institution, the date of release, by screening all applications received from the SSA for expedited services;
3. Determining final eligibility, providing a notice of action, and issuing SNAP benefits to eligible SSI households within 30 days of the date the SSA office received the signed application or within 30 days of release from an institution;
4. Providing a notice of expiration of the certification period and ensuring that the notification informs households they are entitled to a waiver of the face-to-face interview if they are unable to appoint an authorized representative;
5. Completing the application process and approving or denying timely applications for recertification in accordance with 475 NAC 2-007, "Recertification"; and
6. Providing notice to the household of the determination of their eligibility. The notice sent to the household also includes a form for reporting changes.

2-004.03C Local Office Procedures

2-004.03C1 Obtaining Information: The local office must not require applicant SSI households to come to the local office to complete an eligibility determination. SSI households, which apply for SNAP benefits through the Social Security Administration, must not be contacted before the notice of action is sent unless:

1. The application is improperly completed;
2. Mandatory verification is missing; or
3. Certain information is determined questionable.

The local office may verify SSI benefit payments through the State Data Exchange (SDX) or Beneficiary Data Exchange system (BENDEX) without a release statement from the SSI household.

SSA is not responsible for providing information regarding SSI program benefits for households, which apply for SNAP benefits through the local office. This information must be supplied by the SSI household or obtained by the local office.

2-004.04 Households in Chemical Dependency Treatment and Rehabilitation Centers: Persons who regularly participate in chemical dependency treatment and rehabilitation programs may apply for SNAP benefits. The worker must verify that the center is a private or public nonprofit organization.

If an alcoholic treatment and rehabilitation program is located on an Indian reservation and a state agency has not certified or licensed the program, approval to participate may be granted if the program either is funded by the National Institute on Alcohol Abuse and Alcoholism (NIAAA) or was funded by NIAAA and is now funded by Indian Health Service (IHS) funding.

Children of residents of drug and alcohol treatment centers who live with their parent(s) in the treatment center may qualify for SNAP benefits. Children who are served meals by the center are eligible to participate as part of the parent(s)' household.

2-004.04A Treatment Center Responsibilities

2-004.04A1 Application: The treatment center must:

1. Have knowledge of the household's circumstances and carefully review these circumstances with the household before application is made; and
2. Provide the household with an authorized representative. An employee of the treatment center must act as an authorized representative and apply for the individual. The individual cannot file an application on his/her own behalf. This employee will act on behalf of the resident, receive the allotment, and make food purchases for the resident with his/her EBT card.

{Effective 1/3/2005}

2-004.04A2 Notifications: The treatment center must notify the local office of changes in the household's circumstances, such as changes in income. The center must also supply the local office with a list of residents currently participating in the SNAP Program. This list must be signed by a responsible treatment center official and must be provided semi-monthly or monthly.

2-004.04A3 End of Residence: The treatment center must take the following actions when a household leaves the center:

1. Return the EBT card to the departing household;
2. Ensure that the departing household receives its full allotment if the benefits have already been issued and no benefits have been spent on that household's behalf that month;
3. When a household leaves on or before the 15th day of the month, ensure that a household's EBT account contains one-half of its monthly allotment if benefits have been issued and any portion of them has been used;
4. If an aggregate benefit allotment has been issued to the household on or after the 16th of the application month and the household leaves the treatment center on or after the 16th of the application month but before the first day of the full month, the treatment center must ensure the full month's benefits are not used by the treatment center and remain in the EBT account;
5. Report the departure to the local office; and
6. If the household leaves the center without taking its EBT card, return the card to the Issuance and Collection Center.

The treatment center is not allowed to act as an authorized representative for the household once that household leaves the center.

{Effective 6/9/2003}

2-004.04A4 Liability: The treatment center is responsible for any misrepresentation which it knowingly commits in the certification of center residents. The center is also strictly liable for all misuses of EBT benefits on behalf of a resident household and for all overissuances which occur while the household is a resident of the center.

{Effective 6/9/2003}

2-004.04B Local Office Responsibilities:

2-004.04B1 Application: Each treatment center resident must have his/her eligibility determined as a one-person household. When expedited services are necessary, the initial application must be processed on an expedited basis. The worker must complete verification and documentation requirements before issuing a second allotment. When normal processing standards apply, the worker must complete the verification and documentation requirements before determining eligibility on the initial application.

2-004.04B2 Ongoing Case Management: The worker must process changes in household circumstances and recertifications using the same standards that apply to all other SNAP households. Households in treatment centers have the same rights as all other SNAP households including notices of fair hearings and entitlement to lost benefits.

The local office must conduct periodic random on-site visits to the center. During these visits, the local office must ensure that:

1. The center's list of participating residents is accurate; and
2. The local office's records are consistent with the list and are up to date.

2-004.04B3 Ending Residence: If a household leaves the center before that month's issuance has been made, the EBT card with the entire allotment must be returned to the household.

{Effective 6/9/2003}

2-004.04C Claims and Disqualification: The treatment center may be penalized or disqualified if it is determined administratively or judicially that SNAP benefits were misappropriated or used for purchases that did not contribute to a certified household's meals. The worker must:

1. Notify the Central Office promptly when there is reason to believe a treatment center is misusing benefits; and
2. Establish an Accounts Receivable for any overissuance of benefits held for resident households if any overissuances are discovered during an investigation or a hearing procedure for redemption violations.

If a treatment center loses its state license, its residents are no longer eligible for SNAP benefits. Residents are not entitled to a notice of adverse action, but the worker must send them written notices explaining the reason for termination and the effective date.

2-004.05 Households in Group Homes: Disabled residents of a nonprofit group home which serves 16 or fewer people may apply for SNAP benefits. The worker must verify that the group home is licensed or certified by the appropriate state agency and is a nonprofit organization. The following living arrangements which are certified or licensed under 1616(e) of the Social Security Act meet the criteria to be an eligible institution:

1. Licensed Boarding Homes;
2. Certified Adult Family Homes;
3. Licensed Assisted Living Facilities; and
4. Licensed Centers for the Developmentally Disabled.

The group home may act as the authorized representative, residents may apply on their own behalf, or residents may name an authorized representative of their choice. Any combination of these methods may be used in any single group home. Residents have the right to apply as a one-person household or to form groups and apply as households with more than one member. Residents who use the group home as the authorized representative must always be considered a one-person household.

2-004.05A Group Home Responsibilities:

2-004.05A1 At Application: The group home must:

1. Have knowledge of the household's circumstances and carefully review these with the household before application is made; and
2. Determine if a resident may apply for SNAP benefits on his/her own behalf based on the resident's physical and mental ability to handle his/her own affairs.

2-004.05A2 During Residence: The group home must:

1. Provide the local office with a list of currently participating residents which is signed by a responsible official of the group home on a semi-monthly or monthly basis;
2. Ensure that each resident's benefits are used for that resident if residents purchase or prepare food for home consumption; and
3. Notify the local office of changes in the household's circumstances if the group home is acting as the authorized representative.

2-004.05A3 Ending Residence: If a group home is acting as an authorized representative for a household, the group home must:

1. Return the EBT card to the departing household;
2. Ensure that the departing household's EBT account contains the household's full allotment if the benefits have already been issued and no benefits have been spent on that household's behalf that month;
3. When a household leaves on or before the 15th day of the month, ensure that a household's EBT account contains one-half of its monthly allotment if benefits have been issued and any portion of those benefits that have not been used;
4. If an aggregate benefit allotment has been issued to the household on or after the 16th of the month and the household leaves the group home on or after the 16th of the application month but before the first day of the full month, the group home must ensure the full month's benefits are not used by the group home and remain in the EBT account;

5. Ensure the departing resident his/her pro rata share of one-half of the monthly allotment if s/he has:
   a. Been part of a group of residents certified as one household; and
   b. Left on or before the 15th of the month;
6. Allow residents who apply on their own behalf and retain their EBT card to keep the benefits when they leave (a pro rata share must be available to the departing resident who was part of a group certified as one household);
7. Report the departure to the client's worker if the group home has acted as the authorized representative; and
8. If the household leaves the group home without taking its EBT card, return the card to the Issuance and Collection Center (ICC).

The group living arrangement must not serve as a household's authorized representative once that household leaves the facility.

{Effective 6/9/2003}

2-004.05A4 Liability: The group home is liable for any overissuances to a resident household when the group home is acting as the authorized representative.

2-004.05B Local Office Responsibilities: The local office must:

1. Require the group home to provide its list of current participants on a periodic basis;
2. Conduct periodic onsite visits to ensure that the list is accurate and that local office records are consistent and up-to-date;
3. Classify all residents who apply through the facility's authorized representative as a one-person household and determine eligibility accordingly;
4. Process initial applications on an expedited basis when expedited services are necessary and complete verification and documentation before issuing the second allotment;
5. Complete verification and documentation requirements before determining eligibility when normal processing standards apply;
6. Use the standard certification and household size procedures for any resident or group of residents who apply on their own behalf;
7. Process recertifications and changes in household circumstances using the same standards that apply to all other SNAP households;
8. Give resident households the same rights to notices of adverse action, to fair hearings, and to entitlement to restoration of lost benefits as all other SNAP households;

9. Allow households applying on their own behalf to continue to participate if the group home's status as an authorized representative is suspended by FNS, provided the households are otherwise eligible; and
10. If the group home has been active as an authorized representative and the household leaves the facility before an issuance is made, the group home must return the EBT card with full allotment to the ICC.

2-004.05C Household Responsibilities

2-004.05C1 Reporting Changes: If a resident or residents make application on their own behalf, the household is responsible for reporting changes to the local office. This includes reporting the household's departure from the group home.

2-004.05C2 Liability: If a resident makes application on his/her own behalf, s/he is responsible for any overissuances to the household.

2-004.05D Use of EBT Benefits: The group home may purchase and prepare food to be consumed by eligible residents if the meals are normally obtained at a central location as part of the group living arrangement, or if meals are delivered to the individual residents.

{Effective 6/9/2003}

2-004.05D1 Group Home As Authorized Representative: If the resident uses the facility as the authorized representative, the facility may either:

1. Receive the EBT card and spend the SNAP benefits for food prepared by and/or served to the eligible resident; or
2. Allow the resident to use all or any portion of the allotment on his/her own behalf.

2-004.05D2 Residents Without Authorized Representatives: If the resident is certified on his/her own behalf, the resident's EBT benefits are:

1. Given to the facility to use for purchasing food served communally or individually to eligible residents;
2. Used by eligible residents to purchase and prepare food for their own consumption; or
3. Used to purchase meals prepared and served by the group home.

{Effective 6/9/2003}

2-004.06 Shelters for Battered Women and Children: Before certifying residents of shelters for battered women and children, the local office must determine that the shelter for battered women and children meets the definition and document the basis of the determination. Shelters having FNS authorization to redeem at wholesalers are considered as meeting the definition and the local office is not required to make any further determination. The local office may choose to maintain a list of shelters meeting the definition to allow for prompt certification of eligible residents.

2-004.06A Processing Applications: The worker must:

1. Consider shelter residents as separate from their former households if the former household which includes them in the allotment also includes the persons who subjected them to abuse. Shelter residents who are included in these certified households may receive an additional allotment as a separate household only once during a month. Benefits are prorated from the filing date;
2. Certify shelter residents who apply as separate households solely on their income, resources, and the expenses for which they are responsible. They are certified without regard to the income, resources, and expenses of their former household. Jointly held resources are considered inaccessible;
3. Consider room payments to the shelter as shelter expense;
4. Process applications of shelter residents eligible for expedited service; and
5. Take prompt action to ensure that the former household's eligibility or allotment reflects the change in the household's composition by issuing a notice of adverse action.

{Effective 6/9/2003}

2-004.07 Boarders: Boarders are not eligible to participate in the SNAP Program as separate households. To be eligible, an individual must be a member of the household with which s/he lives. A boarder may participate with the household s/he lives with upon the household's request.

2-004.07A Boarder Status: A boarder is an individual to whom a household furnishes lodging and meals for reasonable compensation. The following persons are not considered boarders:

1. The spouse of a member of the household;
2. Children who are under parental control of an adult member of the household; Note: Foster care children are not required to be considered members of the household unless the household chooses to include them.

3. Parents and children who live together; or
4. Any person who lives with the household and pays less than a reasonable monthly amount in cash for meals.

{Effective 2/28/96}

2-004.07A1 Determining Reasonable Payment: A reasonable monthly payment must equal or exceed:

1. The maximum total allotment for the size of the boarder household when more than two meals per day are furnished; or
2. Two-thirds of the maximum total allotment for the size of the boarder household when two meals or fewer per day are furnished.

Note: When boarder payments for rooms are distinguishable from payments for meals, only the amount paid for meals is considered in determining reasonable compensation.

2-004.07A2 Residents of a Commercial Boardinghouse: Residents of commercial boardinghouses are boarders and are therefore ineligible. The following provisions apply when determining whether a person is a resident of a commercial boardinghouse:

1. A boardinghouse is defined as an establishment which:
   a. Is licensed as a commercial enterprise which offers meals and lodging for compensation; or
   b. Offers meals and lodging for compensation with the intention of making a profit.
2. The number of boarders in the boardinghouse must not be used to determine if a boardinghouse is a commercial enterprise.
3. The household of the proprietor of a boardinghouse may participate in the SNAP Program separate and apart from the residents if the household meets all of the eligibility requirements.

2-004.08 Authorized Representatives: The head of the household, his/her spouse, or any other responsible household member may designate an authorized representative to act on behalf of the household in one or all of the following capacities:

1. Making application;
2. Fulfilling household responsibilities during the certification period such as submitting information on changes in household circumstances;
3. Obtaining the benefits; and
4. Using the benefits.

The designation of the authorized representative must be in writing. Normally the authorized representative is designated at the time of application, but the household may select an emergency authorized representative at a later time.

{Effective 9/4/2002}

2-004.08A Selection: The authorized representative must be fully aware of pertinent information about the household's circumstances, and must also be one of the following:

1. An adult who is not a household member;
2. An employee of a chemical dependency treatment and rehabilitation center acting on behalf of the center's residents;
3. An employee of a group living arrangement acting on behalf of the residents of the group living arrangement;
4. A representative of an authorized shelter for battered women and children.

2-004.08B Use: Authorized representatives may be used when the head of the household or his/her spouse or other adult member of the household cannot be interviewed or is unable to get benefits or food because of factors such as illness, employment, or transportation problems. Individuals who are residents of a chemical dependency treatment and rehabilitation program are an exception to this policy and must have authorized representatives. The client's worker must ensure that authorized representatives are properly selected and designated.

{Effective 6/9/2003}

2-004.08B1 Making Application: A responsible member of the household must review the application made by the authorized representative whenever possible, because the household is held liable if an overissuance results from erroneous information given by the authorized representative. The household is held liable for an overissuance. The authorized representative bears no liability for overissuances other than the disqualification as an authorized representative.

{Effective 1/3/2005}

2-004.08B2 Use of EBT Card: The authorized representative may purchase food for the household if s/he has the household's full knowledge and consent and the household's EBT card and Personal Identification Number (PIN) number.

{Effective 6/9/2003}

2-004.08C Exclusions: The following persons must not serve as authorized representatives:

1. Retailers who are authorized to accept SNAP benefits unless the Central Office has granted written approval;
2. Employees of the local office unless the Central Office has granted written approval;
3. Individuals disqualified for intentional program violation unless the disqualified individual is the only adult household member able to act on the household's behalf and the local office has determined that no one else is available to serve as authorized representative; and
4. Meal providers for the homeless.

2-004.08D Disqualification of Authorized Representatives: If the agency has evidence that an authorized representative has misrepresented a household's circumstances and has knowingly provided false information pertaining to the household, or has improperly used SNAP benefits that authorized representative may be disqualified from participating as an authorized representative in SNAP for up to one year.

The worker must send written notice to each affected household and the authorized representative 30 days before the date of disqualification. The notification must include:

1. The proposed action;
2. The reason for the proposed action;
3. The household's right to request a fair hearing;
4. The telephone number of the office; and, if possible
5. The name of the person to contact for additional information.

Note: This provision is not applicable for drug and alcohol treatment centers and group homes which act as an authorized representative for their residents.

2-004.09 Categorically Eligible Households: Households in which all members are authorized or receive an ADC, AABD, SDP or SSI cash payment are categorically eligible. Households in which one or more members are authorized to or receive ADC-Emergency Assistance or Employment First supportive services are categorically eligible. In addition to individuals receiving benefits, the term recipients includes the following:

1. Individuals whose ADC, AABD, or SDP benefits are being recouped;
2. Individuals whose SSI benefits are suspended or being recouped; and
3. Individuals entitled to an ADC grant but who do not receive a grant because the grant is $9.99 or less.

{Effective 6/9/2003}

2-004.09A Households Not Considered Categorically Eligible: Some examples of households that are not considered categorically eligible for SNAP are those where:

1. The entire household consists of:
   a. General assistance applicants;
   b. Clients eligible for medical assistance only;
   c. Individuals in non-exempt institutions;
   d. SSI recipients in 1619(b) status who do not receive an SSI payment; or
   e. Residents of an institution who jointly apply for SNAP benefits and SSI, and who are determined eligible for SSI before the release from the institution. These individuals are not considered categorically eligible until the date of release from the institution.
2. The household is disqualified because the head of household failed to comply with work requirements; or
3. The household includes a Disqualified Household Member or a household member who is otherwise ineligible.

2-004.09B Processing Applications:

2-004.09B1 Categorical Eligibility: If after reviewing the household's eligibility using SNAP criteria, it appears the household will not be eligible using SNAP rules but may be categorically eligible, the worker may delay acting on the application until the categorical eligibility is determined. The 30-day processing standard applies. The worker uses the following procedures:

1. If eligibility has not been determined by the 30th day, the worker denies the case but advises the household that benefits will be issued back to the application date if the household is later found to be categorically eligible. The worker sends a notice asking the household to contact the local office if later approved.
2. If the household's application is or has been denied for SNAP benefits and is later found to have been categorically eligible, the worker uses the original application to certify the case. Another interview is not required but the application may have to be updated. If changes are made on the original application, it would need to be initialed and signed again by the client or his/her authorized representative. If eligible, benefits would be issued from the date of the original SNAP application or the date categorical eligibility was determined, whichever is later. This would be done using the procedures for restoring benefits.

2-004.10 Foster Care Children: Households may determine whether children receiving payments from any publicly funded foster care agency are included as part of their household for purposes of SNAP. Foster care children may not participate as separate households.

If the household chooses to include foster care children in their SNAP household, the income and resources of these individuals are considered available to the household. If the household chooses not to include these individuals, their foster care payments, other income, and resources are not considered available to the household.

2-004.11 Expanded Resource Program (ERP) Eligible Households: Any household in which ALL members receive or are authorized to receive the ERP services can have their SNAP eligibility determined through the ERP resource and income guidelines. Eligibility for the ERP is automatic if the household has received the EA-PAM-1 or has signed the electronic or paper application. All of the application forms include a statement that if the household is eligible for the ERP, the household has been notified and is authorized to receive ERP services.

2-004.11A Households Not Considered ERP Eligible: Households that are not considered ERP eligible are those where:

1. An individual in the household is disqualified due to failure to comply with work requirements.
2. A member of the household is disqualified due to an intentional program violation (IPV). Individuals:
   a. Found to have committed an IPV:
      (1) Through an administrative disqualification hearing;
      (2) By a federal, state, or local court; or
      (3) Who have signed either a waiver of right to an administrative disqualification hearing or a disqualification consent agreement;
   b. Found by a federal, state, or local court to have used or received SNAP benefits in a transaction involving the sale of a controlled substance;
   c. Found by a federal, state, or local court to have used or received SNAP benefits in a transaction involving the sale or the purchase of firearms, ammunition, or explosives;

d. Convicted by a federal, state, or local court of trafficking SNAP benefits of an aggregate amount of $500 or more;
e. Found by a federal, state, or local court or by a state agency to have made a fraudulent statement or representation with respect to the identity or place of residence in order to receive SNAP benefits in more than one household in the same month; or
f. Found by a federal, state, or local court to have committed and have been convicted after August 22, 1996, of a drug-related felony involving the possession, use, sale, or distribution, including the intent to sell or distribute, of a controlled substance when the individual has:
   (1) Three or more drug-related felony violations and convictions for possession or use;
   (2) Been convicted of a felony involving the sale or distribution of a controlled substance, including the intent to sell or distribute; or
   (3) Fewer than three drug-related felony violations and convictions for possession or use but is not participating in or has not completed an approved substance abuse treatment program since the last conviction.

2-005 Delays in Application Processing: If the worker does not determine eligibility and provide an opportunity to participate within the 30 days following the date the application was filed, the worker must process the application applying the policies in the subsections of this reference.

2-005.01 Determining Cause: The worker must first determine whether the delay was the household's fault or the worker's fault. The worker must consider a delay to be the household's fault if the household has failed to complete the application process even though the worker has taken all the action required to assist the household. The following actions must have been taken by the worker before a delay can be considered the household's fault:

1. If the household fails to complete the application form, the worker must offer or attempt to offer assistance in completing the application.
2. If the verifications are incomplete, the worker must provide the household with a written statement of the required verification and offer to assist the household in obtaining verification. The worker must allow the household at least ten days from the date of the written statement to provide the particular verification.
3. If the household misses a first scheduled interview, the household must be notified it missed the scheduled interview and that the household is responsible for rescheduling the missed interview.

4. If the household missed a scheduled interview and contacts the office in the first 30 days following the application filing date, the worker must reschedule the interview.
5. If the household missed a scheduled interview and contacts the local office to reschedule the interview in the second 30 days after the application filing date, the worker must follow the procedures for delays caused by the household.

If the worker fails to take any of the required actions specified in this subsection, the delay is the worker's fault.

{Effective 6/9/2003}

2-005.02 Delays Caused by the Household: If the worker cannot determine eligibility by the 30th day following the date the application was filed, because the household failed to take the necessary actions, the worker must:

1. Send a notice of denial on the 30th day following the date the application was filed;
2. Reopen the case without a new application if the household takes the required action within the next 30 days;
3. Take no further action if the household does not take the required action within 60 days following the date the application was filed; and
4. Provide benefits only for the month after the application month if:
   a. The household caused the delay in the first 30 days; and
   b. The household is found eligible during the second 30-day period.

The household is not entitled to benefits for the application month when the delay is the household's fault. The local office must prorate the benefits back to the date the household took the required action to establish eligibility.

2-005.03 Delays Caused by Local Office: If the local office has not determined eligibility by the 30th day following the date the application was filed because of local office failure to act, the following actions must be taken:

1. Hold the application as pending for an additional 30 days and notify the household of any further action needed to complete the application process. This notice must be sent by the 30th day after the application was filed.
2. Provide benefits that are retroactive to the application date if:
   a. The household is determined eligible during the second 30-day period; and
   b. The household was eligible for the application month; or
3. Deny the application if the household is determined ineligible during the second 30 days.

2-005.04 Delays Beyond 60 Days: When eligibility has not been determined within 60 days following the date the application was filed, the following steps must be taken:

1. If the local office caused the delay in the second 30 days, the worker must continue to process the original application until an eligibility determination is made.
2. If the local office caused the delay in the first 30 days but the household caused the delay in the second 30 days, the local office must:

a. Deny the application; and
b. Require the household to file a new application if the household wishes to participate.

The household is not entitled to retroactive benefits if it caused the delay during the second 30 days. A notice of denial is not necessary if the pending notice informed the household that it must file a new application if it did not provide verification.

2-006 Denials: Households that are determined ineligible must be sent a notice of denial within 30 days of the date the application was filed.

2-006.01 Failure to Appear: When the household fails to appear for a scheduled interview, the worker must send a notice informing the household that the application will be denied if the household fails to contact the office to reschedule the second interview within 30 days of the application filing date.

If the household fails to appear for a second interview, the application is denied.

{Effective 1/3/2005}

2-006.02 Refusal to Cooperate: "Refusal to cooperate" is the term used to describe situations where the household is able to cooperate but clearly demonstrates that it will not take the actions required to complete the application process.

If the household refuses to cooperate with the local office in completing the application process, the local office must deny the application at the time of the refusal. In some situations, there may be a question about whether a household has refused to cooperate or whether it has merely failed to comply with requirements. In these cases, the worker must not consider the household's action or inaction a refusal to cooperate.

If someone outside the household (i.e., the employer, financial aid officer, etc.) fails to cooperate with a request for verification, the worker must not deny the application. Non-household members, or disqualified household members are not considered persons "outside" the household.

2-006.02A Program Evaluation Review (PER) Refusal to Cooperate: If a household's case is closed for refusal to cooperate with a:

1. State PER review, the household may reapply but it is ineligible until:
   a. It cooperates with PER; or
   b. 95 days after the review period ends.
2. Federal QC review, the household may reapply but is ineligible until:
   a. It cooperates with QC; or
   b. Seven months after the review period ends.

Households that continue to refuse to cooperate after the termination period ends with either a State PER review or a Federal QC review are subject to 100% verification when or if they reapply for FS benefits.

2-006.02B Worker Action: The worker must deny the application or end the participation of a household that refuses to cooperate in any subsequent review of its eligibility, including:

1. Reporting changes;
2. Recertifications; and
3. Program Evaluation Reviews.

The household may reapply once it has been denied or terminated for refusal to cooperate, but it must not be determined eligible until it cooperates.

2-007 Recertification: A household may file an application for recertification before the end of the current certification period. If an application is filed timely, the worker must ensure that an eligible household receives uninterrupted benefits.

Any application filed before the certification period expires is considered a recertification. Benefits are not prorated.

An application filed after the certification period has expired but within 30 days following the expiration date is also considered a recertification. Since the filing date is later than the last day of the previous certification period, benefits are prorated from the date the application is filed.

{Effective 6/9/2003}

2-007.01 Timely Filing: Households which are certified in the second month of the certification period have 15 days from the date a notice of expiration is received to file a timely application for recertification. Other households must return an application for recertification by the 15th day of the month the certification period expires.

2-007.02 Scheduling the Interviews: A face-to-face interview must be conducted with a member of the household or its authorized representative at least once every 12 months for households certified for less than 12 months. The following situations are exceptions to having a face-to-face interview once a year:

1. Household is certified for longer than 12 months; or
2. Household is granted a waiver of the face-to-face interview.

The interview must be scheduled so that the household has at least ten days after the interview in which to provide verification before the certification period expires. If a household misses its scheduled interview, a notice of missed interview must be sent to the household. If a household misses its scheduled interview and requests a second interview, the worker must schedule a second interview.

{Effective 1/3/2005}

2-007.03 Interview: In addition to submitting the application in a timely manner, the household must appear for a scheduled interview and provide the required verifications within ten days of the date verifications were requested. If the household meets these requirements, the worker must approve or deny the household's application by the end of the certification period. If the household does not meet these requirements, a denial notice is sent on the 30th day following the application filing date.

{Effective 1/3/2005}

2-007.04 Verification after Interview: The household must be provided a written notice of the required verifications and the date the verification requirements must be satisfied.

Households who have applied but eligibility has not been determined by the end of the current certification period must be allowed a minimum of ten days to provide the required verification. When all the required verification is provided in the ten days, the household, if eligible, must be given an opportunity to participate within five working days after the household provides the missing verification. Benefits cannot be prorated if verification is received within the required ten days.

{Effective 1/3/2005}

2-007.05 Application Received After the End of the Certification Period: Households who apply after the end of their certification period must be allowed a minimum of ten days to provide the required verification information. When all the required verification is provided in the ten days, the household, if eligible, must be given an opportunity to participate within five working days after the household provides the missing verification.

When the household submits an application after the expiration of the last certification period, the first month's benefits must be prorated from the application filing date.

{Effective 1/3/2005}

2-007.06 Delays

2-007.06A Caused by Household: A household will lose its right to uninterrupted benefits and have its application approved or denied by the end of the certification period for any of the following reasons:

1. The household returns the application for recertification after the timely filing deadline;
2. The household does not attend the scheduled interview; and/or
3. The household does not return requested verifications within ten days of the date the worker requests it.

In the above situations, the worker has 30 days from the filing date to act on the application.

2-007.06B Caused by Local Office: When the local office fails to provide an eligible household that has filed a timely application the opportunity to participate the failure is considered an administrative error. The household is entitled to retroactive benefits because the household was unable to participate in the month after the certification period expired.

2-007.07 Categorical Eligibility: The worker must assume categorical eligibility for public assistance households at the time of recertification if the public assistance redetermination is late. If the household is later found ineligible for public assistance and is not otherwise eligible for SNAP benefits, the worker must close the case.

3-000 ELIGIBILITY

3-001 Nonfinancial Eligibility Standards: This section outlines the nonfinancial eligibility standards for SNAP. These include:

1. Identity;
2. Residency;
3. Citizenship/alien status;
4. Work requirement;
5. Voluntary quit;
6. Student status;
7. Social Security number;
8. Drug felon status;
9. Striker status; and
10. Household composition

3-001.01 Identity: To be eligible, the individual making application must prove his/her identity. The worker must verify the identity of the person making application. When an authorized representative applies on behalf of a household, the worker must verify the identity of both the authorized representative and the head of the household.

3-001.01A Verification of Identity: The worker must:

1. Verify identity through readily Available Documentary Evidence or, if this is unavailable, through a collateral contact; and
2. Accept any documents which reasonably establish the applicant's identity. The worker must not impose a requirement for a specific type of document, such as a birth certificate.

3-001.02 Residency: A local office may only certify households who are residents of Nebraska. (The entire State of Nebraska is one project area). An individual may participate in only one household in any one month, unless that individual is a resident of a shelter for battered persons and was a member of the household containing the abusive person.

3-001.02A Duration: The local office must not impose any durational residency requirement. Residency does not require an intent to live in the state permanently. However, the local office must not consider persons in the state solely for vacation purposes as residents.

3-001.02B Fixed Residence: A fixed residence is not required.

3-001.02C Verification of Residency: The local office must verify the residence requirements except in unusual cases where verification of residency cannot reasonably be accomplished. The worker must:

1. Verify residency in conjunction with the verification of other information as much as possible;
2. Use a home visit, collateral contact, or other readily available documentary evidence for verification of residency if it cannot be done in conjunction with other verification; and
3. Accept any documents or collateral contacts which reasonably establish the applicant's residency. The worker must not require a specific type of verification. Documents which verify other eligibility factors would normally verify residency.

3-001.03 Citizenship/Alien Status: This section addresses the requirements of the citizenship/alien provisions for individuals receiving SNAP benefits in Nebraska. When a non-citizen requests to participate in SNAP, his/her alien status must be determined. If the individual does not meet the citizenship/alien provisions, s/he is ineligible for SNAP.

The status of all aliens requesting SNAP benefits must be verified through the Systematic Alien Verification for Entitlements (SAVE) program which is operated by the Citizenship and Immigration Services (CIS). If a household or individual indicates inability or unwillingness to provide documentation of alien status for any household member, the agency must consider that member an ineligible alien. In these cases, the worker does NOT continue efforts to obtain that documentation. If an alien does not wish to have CIS contacted to verify his/her immigration status, the worker must give the household the option of participating without that member. The household may also choose to withdraw its entire application.

{Effective 07/17/2013}

3-001.03A Household Members Meeting Citizenship/Alien Requirements: If an individual's status is one of the following, s/he meets the citizenship/alien requirements for SNAP as defined in federal regulations.

1. A U.S. Citizen or U.S. non-citizen national;
2. An Amerasian immigrant admitted under Section 584 of Public Law 100-2002 amended by Public Law 100-461a, Section 204 of the Immigration and Nationality Act (INA):
3. An American Indian born in Canada if s/he possesses at least 50 percent of blood of the American Indian race or an American Indian Tribal member born outside the U.S.;
4. An asylee who was granted asylum under Section 208 of the INA;
5. A child under the age of 18;
6. A battered non-citizen who:
   a. Is under 18 years of age; or
   b. Has legally resided in the U.S. for five or more years; or
   c. Has or can be credited with 40 qualifying work quarters; and
   d. Who is no longer residing with the family member who battered him/her;
7. A Cuban or Haitian entrant who was admitted under Section 207 of the INA;
8. An individual whose deportation (or removal) is being withheld under Section 243(h) of the INA as in effect before 4/1/97 or Section 241(b)(3) of the INA;

9. An elderly individual who was lawfully residing in the U.S. and was age 65 or older on August 22, 1996;
10. A Hmong or Highland Laotian tribal member if s/he was a member of a tribe who rendered assistance to the U.S. by taking part in a military or rescue operation during the Vietnam era between August 5, 1964, and May 7, 1975, and is legally residing in the U.S. These individuals are eligible indefinitely. The individual must have been born prior to May 8, 1975, and be legally residing in the U.S. This includes the spouse, surviving spouse, an unmarried dependent child age 17 or younger, or a dependent child age 21 or younger if a full-time student, an unmarried disabled child age 18 or older if the child was disabled before his/her 18th birthday;
11. An individual receiving assistance benefits for blindness or disability;
12. An Iraqi or Afghan special immigrant who has special immigrant status under Section 101 (a)(27) of the INA;
13. A Lawful Permanent Resident (LPR) who:
    a. Is under 18 years of age, regardless of his/her date of entry;
    b. Has been an LPR for five years; or
    c. Has or can be credited with 40 qualifying work quarters;
14. An individual with past or current military involvement defined as an alien veteran who is on active duty with any of the U.S. Armed Forces units. Minimum active duty is defined as 24 months or the period for which the person was called to active duty. The spouse or unmarried dependent child of an alien veteran as described in this paragraph is also eligible.
15. A parolee or conditional entrant if admitted under Section 212(d)(5) of the INA for at least one year and who:
    a. Is under 18 years of age;
    b. Meets military eligibility criteria (see Number 14 above); or
    c. Has resided in the U.S. for at least five years;
16. A refugee who was admitted under Section 207 of the INA or who entered the U.S. before April 1, 1980, and was granted conditional entry; or
17. A victim of human trafficking who was granted protection under the Trafficking Victims Protection Act of 2000, as amended.

{Effective 07/17/2013}

<u>3-001.03B Ineligible Aliens</u>: Aliens, other than those meeting citizenship/alien requirements outlined in this section, are ineligible for SNAP. These include, but are not limited to, alien visitors, tourists, diplomats, students who enter the United States with no intention of abandoning their residence in a foreign country, and any individuals who do not provide information regarding their citizenship/alien status.

Citizens of the Federated States of Micronesia and the Marshall Islands may enter and leave the United States without providing documentation, but they are not United States citizens and are therefore ineligible for SNAP benefits.

3-001.03B1 Attesting to Citizenship/Alien Status: At the time of initial certification, the individual making application must attest to the citizenship of all household members requesting benefits by checking the appropriate field and signing the application.

Citizenship/alien status of a new household member is determined at the time the individual is added to the household.

{Effective 10/28/96}

3-001.03C Expedited Services: If an individual is unable to verify alien status in time to meet expedited time frames and the individual has declared eligible citizenship/alien status, the worker must postpone verification.

{Effective 07/17/2013}

3-001.03D Reporting Undocumented Aliens: The agency must immediately inform the local CIS office whenever personnel responsible for the certification or recertification of households determine that an applicant or recipient is illegally in the U.S. in violation of the INA. An alien is known to be “illegal” only when the unlawful presence in the U.S. is a Finding of Fact or conclusion of law that is made by the entity as part of a formal determination subject to administrative review. In addition, that finding or conclusion of unlawful presence must be supported by a determination by the Service or the Executive Office of Immigration Review, such as the Final Order of Deportation.

{Effective 07/17/2013}

3-001.03E Verification of Citizenship or Alien Status: When the citizenship or alien status of any person applying for benefits is questionable, the worker must require the household to provide verification of citizenship or alien status. The household member is ineligible until proof of U.S. citizenship or eligible alien immigration status is received.

A "Matricular Consular ID Card" issued by the Consulate of Mexico is for ID purposes only and does not establish legal status in the United States, so additional documentation is necessary to determine alien status and SNAP eligibility.

3-001.03F Pending Verification of Immigration Status: Some applicants who declare eligible immigration status may not have documents issued by CIS. Until acceptable documentation is provided, a non-citizen is ineligible for SNAP unless:

1. The worker has submitted a copy of a document provided by the household to CIS for verification;
2. The LPR or the worker has:
   a. Submitted a request to SSA for information regarding the number of quarters of work that can be credited to the individual;
   b. SSA has responded that the individual has fewer than 40 quarters; and
   c. The individual provides documentation from SSA that SSA is conducting an investigation to determine if more quarters can be credited; or
3. The applicant or worker has submitted a request to a federal agency for verification of information which bears on the individual's eligible alien status.

During the period of time the alien's status is under review by the CIS, SSA or another federal agency, the worker cannot delay, deny, reduce, or terminate the individual's eligibility on the basis of the individual's immigration status. Pending the outcome of the review, the alien may be certified for up to six months from the date of original request for verification. The worker must review the alien's eligibility based on the results of the investigation when received from the federal agency. The alien may be determined eligible or ineligible.

{Effective 07/17/2013}

3-001.04 Work Requirements: The work requirement provision is applied statewide. Exemptions from the work requirements and eligibility for meeting the work requirements are covered in the following material. Each household member age 16 through 59 must meet or be exempt from the work participation requirements which are:

1. Work Registration;
2. Bona Fide Job Offer;
3. Voluntary Quit; or
4. Employment First (EF) work requirements. Enrollment in EF mandates compliance with EF work requirements.

In addition to the work requirements listed above, an ABAWD age 18 through 49 must also meet or be exempt from the ABAWD work requirements.

{Effective 07/17/2013}

3-001.04A Work Requirement Exemptions: The following household members are exempt from meeting any work requirements:

1. A person age 15 or younger. If a household member's sixteenth birthday falls within a certification period, that member will register for work as part of the next scheduled recertification unless otherwise exempt;
2. A person age 16 or 17 who is not the head of household, or who is attending school, or enrolled in an employment and training program on at least a half-time basis;
3. High school students of any age who are attending classes at least half-time;
4. A student enrolled at least half time in any recognized school, training program, or post-secondary education when the individual is an exempt student. The worker must not consider the following persons as students:
   a. Persons enrolled less than half time;
   b. Persons who experience a break in their enrollment due to graduation, expulsion, suspension; or
   c. Persons who drop out or do not intend to return to school.

   The above individuals must comply with the work requirements unless exempt for a different reason.
5. A person age 60 or older. If a person who is age 59 will turn 60 during the application month, the worker considers the person exempt;
6. A person who is physically or mentally unfit for employment. Verification may be required if a disability is claimed but is not evident to the worker. If a disability is evident, the worker documents this in the case record. The individual is considered disabled if s/he receives one of the following:
   a. Retirement, Survivors and Disability Insurance (RSDI) or Supplemental Security Income (SSI) based on disability;
   b. A statement from the Veteran's Administration indicating inability to work;
   c. Medical Assistance based on disability;
   d. A statement from the individual's physician or licensed certified psychologist indicating inability to work; or
   e. Temporary or permanent disability benefits from other government or private sources.
7. An employed or self-employed person if that person is working at least 30 hours per week or is receiving weekly earnings equal to or greater than the federal minimum wage or training wage multiplied by 30 hours. This includes migrant and seasonal farmworkers who are under contract or similar agreement with an employer or crew chief to begin employment within 30 days. These individuals may still seek additional services from Workforce Development;
8. A parent or other household member responsible for the care of a dependent child age five or younger or an incapacitated person. If the child's sixth birthday falls within a certification period, the member responsible for that child's care must register for work as part of the next scheduled recertification unless otherwise exempt;
9. A person who receives unemployment compensation (UC). A person who has applied for but has not yet received unemployment compensation is also exempt if that person was required to register for work with the Job Service Workforce Development as part of the unemployment compensation application. This is verified through wage match procedures;
10. A chemically dependent person if s/he is participating in a chemical dependency treatment and rehabilitation program;

11. A person age 50 or older who is enrolled at least half-time in any recognized school, training program, or post secondary education.

{Effective 12/26/2007}

3-001.04A1 Change in Exemption Status: Household member(s) who lose their exempt status due to a change in circumstances that is required to be reported are screened for the work requirements at the time of report. Household member(s) who lose their exemption due to a change in circumstances that is not required to be reported are screened for the work requirements at the household's next recertification.

3-001.04A2 Unemployment Compensation Noncompliance: Household members who fail to comply with the unemployment compensation requirements lose their SNAP work requirement exemption. Unless these individuals are otherwise exempt, they are required to comply with SNAP work requirements as appropriate.

{Effective 12/26/2007}

3-001.04A3 Employment First Noncompliance

1. Household members who fail to comply with Employment First work requirements and who are otherwise exempt from SNAP work requirements are not disqualified for a SNAP work requirement. They are subject to the Failure to Comply with Another Program Requirement penalty for noncompliance with Employment First;
2. Household members who fail to comply with Employment First work requirements and who are not otherwise exempt from SNAP work requirements are disqualified for noncompliance with a SNAP work requirement. The disqualification follows SNAP penalties. Determine if the household member:
    a. Is an "Applicant" or "Certified";
    b. Whether the household member is "Head of Household" or "Individual"; and
    c. Whether it is the household member's first, second, or third or subsequent SNAP work requirement disqualification.

The appropriate SNAP work requirement disqualification must be applied. In addition, the individuals are subject to the Failure to Comply with Another Program Requirement penalty for noncompliance with Employment First.

{Effective 12/26/2007}

3-001.04B Work Registration: Household members who are not exempt from work registration are considered registered when an adult household member or an authorized representative signs the completed application form. The worker must explain the requirements of work registration as part of the application process, preferably during the interview.

{Effective 07/17/2013}

3-001.04C Employment and Training (E & T): Individuals residing in Nebraska are geographically exempt from mandatory E & T participation. Individuals may volunteer to participate in E & T in designated areas of the state.

{Effective 07/17/2013}

3-001.04C1 Employment and Training Reimbursement: Any household member voluntarily participating in the E & T Program qualifies for a reimbursement for actual costs that are reasonably necessary for and directly related to participation.

{Effective 07/17/2013}

3-001.04D Refusal to Accept a Bona Fide Job Offer or Voluntary Quit: If an individual refuses to accept a bona fide job offer or voluntarily quits employment within 60 days before a SNAP application is filed, anytime after the application is filed or after the household is certified, the worker must make a determination of whether or not the refusal to accept suitable employment or termination of employment met the criteria of the requirement and was without good cause. The household cannot claim good cause for refusing a bona fide job offer due to not meeting the drug test requirement. The following conditions do not constitute a refusal to accept a bona fide offer or a voluntary quit:

1. Employment of less than 30 hours per week or 30 hours times the federal minimum wage;
2. Changes in employment status which do not result in reducing hours of employment to less than 30 hours per week for the same employer;
3. Terminating a self-employment enterprise; or
4. Resigning from a job at the employer's demand.

{Effective 1/3/2005}

3-001.04E Non-Compliance with Work Requirements: In any of the following situations an individual is ineligible to participate in SNAP when s/he:

1. Refuses without good cause to register for employment;
2. Voluntarily and without good cause quits a job or reduces employment to less than 30 hours per week;
3. Refuses without good cause to accept an offer of bona fide employment;
4. Is a non-exempt ABAWD who has used his/her 3 months of time-limited benefits in the 36-month period and is not meeting an ABAWD work requirement; or
5. Is determined to be noncompliant with Employment First and is not otherwise exempt from SNAP work requirements.

{Effective 07/17/2013}

The designation of head of household for households consisting of parents must be made at the time of application and may be changed at the time of review or if the household composition changes. The household cannot designate a disqualified household member as the head of household. The head of household for work requirement compliance must be an eligible household member.

{Effective 1/3/2005}

The worker must explain the requirements of compliance to the household at the time of application and at recertification. A household member is exempt from these requirements if s/he is exempt from work requirements at the time of noncompliance. If the individual is participating in the SNAP Program at the time of discovery, the household is treated as a certified household.

3-001.04E1 Failure to Comply with Work Requirement: If a household member who has work registered refuses or fails to comply with any of the work participation requirements, the worker initiates the noncompliance process. The process includes the following steps:

1. Determine the reason(s) the noncompliance occurred;
2. If good cause exists, document the reason in the case file; or
3. If good cause does not exist, document the reason in the case file and determine if the individual who committed the violation is the head of household or another household member;
   a. If the individual who committed the violation is the head of household, close the case for the month following the expiration of the timely notice; or
   b. If the individual who committed the violation is another household member:
      (1) Remove that household member from the unit for the month following the expiration of the timely notice; and
      (2) Determine the length of the disqualification period based on whether the violation is the first, second, or third offense.

{Effective 9/4/2002}

3-001.04E2 Good Cause: Good cause for not meeting the work participation requirement includes:

1. Illness of the employed household member;
2. Illness of another household member requiring the presence of the employed member;
3. A household emergency;
4. Unavailability of transportation;
5. Recognition of the fact that the employment does not meet the suitability of employment criteria;
6. Discrimination by an employer based on age, race, sex, color, disability, religious beliefs, national origin, or political beliefs;
7. Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule;
8. Acceptance of employment or enrollment of at least half-time in any recognized school, training program, or institution of higher education that requires the head of household to leave other employment;
9. Acceptance by any other household member of employment or enrollment at least half-time in any recognized school, training program, or institution of higher education which requires the household to relocate and requires other employed household members to leave their employment;
10. Resignations by persons under 60 which are recognized by the employer as retirement;

11. Employment which becomes unsuitable by not meeting the suitable employment criteria after the employment has been accepted;
12. Acceptance of a bona fide job offer which meets the criteria for employment but because of circumstances beyond the control of the head of household, subsequently either:
    a. Does not materialize;
    b. Results in employment of less than 30 hours per week; or
    c. Earnings of less than the federal minimum wage multiplied by 30 hours per week; or
13. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another, such as in migrant farm labor or construction work. There may be some cases where households will apply for SNAP benefits between jobs, particularly when work may not yet be available at the new job site. Even though employment at the new site has not actually begun, the worker must consider the quitting of the previous employment as with good cause if it is part of the pattern of that type of employment.

Note: Problems caused by the work registrant's inability to speak, write, or read English could constitute good cause.

3-001.04E2a Limitation of Good Cause: The worker must not apply the good cause provision to federal, state, or local governmental employees who strike against their employers and consequently lose their jobs.

{Effective 11/19/97}

3-001.04F Head of Household: The worker must designate a head of household for each applicant household. The head of household's name will appear on the case record, Electronic Benefits Transfer (EBT) card, and all correspondence related to that case. Workers must not use the head of household classification as a means to impose special requirements on that individual. The head of household is not required to appear at the certification office to apply for benefits.

{Effective 1/3/2005}

3-001.04F1 Designation of Head of Household: The head of household designation determines how the disqualification penalties will be applied in situations of failure to comply with the work related requirements. The head of household is determined as follows:

1. If there is only one adult parent of a child in the household, that individual is the head of household;
2. If there is more than one parent of a child in the household, the worker must allow the household to select which parent is the head of household; or
3. If there is no adult parent of a child in the home, the head of household must be the primary wage earner.

   Note: The primary wage earner must be the household member (including excluded members) who is the greatest source of earned income in the two months before the month of the violation. The provision applies only if the employment involves 20 or more hours per week or provides weekly earnings at least equivalent to the federal minimum wage multiplied by 20 hours.

3-001.04F2 Ineligibility of an Applicant Household: If the individual who has been named the head of household on the application is ineligible to participate due to a work requirement noncompliance, the entire household is ineligible. The household is ineligible to participate for:

1. Thirty days from the application filing date for the first disqualification;
2. Ninety days from the application filing date for the second disqualification; and
3. One hundred eighty days from the application filing date for the third or subsequent disqualification.

If the individual in violation is the head of household, the entire household is ineligible for SNAP benefits until the disqualification period is served. If the head of household becomes exempt from the work requirements during the disqualification period, the household may reapply for benefits.

{Effective 07/17/2013}

3-001.04F3 Ineligibility of a Certified Household: If the individual who is the head of household becomes ineligible to participate in SNAP due to a work requirement noncompliance, the household is ineligible to participate for:

1. One calendar month for the first disqualification;
2. Three calendar months for the second disqualification; and
3. Six calendar months for the third and subsequent disqualification.

If the individual in violation is the head of household, the entire household is ineligible for SNAP benefits until the disqualification period is served. If the head of household becomes exempt from the work requirements during the disqualification period, the household may reapply for benefits.

{Effective 07/17/2013}

3-001.04G Other Household Member

3-001.04G1 Ineligibility of an Applicant Household Member: If any household member, other than the head of household, becomes ineligible to participate due to work requirements, the household member is ineligible to participate for:

1. Thirty days from the application filing date for the first disqualification;
2. Ninety days from the application filing date for the second disqualification; and
3. One hundred eighty days from the application filing date for the third or subsequent disqualification.

If the individual in violation is another member of the household, the individual is ineligible for SNAP benefits until the disqualification period is served or the individual becomes exempt from the work requirements.

{Effective 07/17/2013}

3-001.04G2 Ineligibility of a Certified Household Member: If the individual in violation is not the head of household, the individual household member becomes ineligible to participate in SNAP due to a work requirement noncompliance. The individual is ineligible to participate in any household for:

1. One calendar month for the first violation;
2. Three calendar months for the second violation; and
3. Six calendar months for the third and subsequent violation.

If the individual in violation is another member of the household, the individual is ineligible for SNAP benefits until the disqualification period is served or the individual becomes exempt from the work requirements.
The disqualification for the noncompliance violation is imposed in the month following the expiration of the adverse action. The individual in violation must not be included in the household's allotment until the month following the last month of the disqualification period or the individual becomes exempt from the work requirements.

{Effective 07/17/2013}

3-001.04H Worker Action: Within ten days of noncompliance or notification of noncompliance, the worker must:

1. Provide the household with a timely notice which describes:
   a. The specific reason or action of noncompliance;
   b. The penalty imposed for the noncompliance, including the period of disqualification; and
   c. That the household may apply at the end of the disqualification period or the household member would be added back to the unit at the end of the disqualification period.
2. Begin the disqualification period with the first month after the expiration of the timely notice period, unless a fair hearing is requested. If a fair hearing is held and the worker action is upheld, the disqualification period begins the month after the decision is made.

{Effective 1/3/2005}

3-001.04H1 Fair Hearings: Each household has a right to a fair hearing to appeal a denial, reduction or termination of SNAP benefits because of a determination of non-exempt status or a determination of failure to comply with work participation requirements. Actions that may be appealed include:

1. Exemption status;
2. Type of requirement imposed; or
3. The worker's refusal to grant good cause.

A household is allowed to examine the documents in his/her case file at a reasonable time before the fair hearing except that confidential information such as test results may be withheld. Information not released to the household may not be used by either party at the hearing.

{Effective 11/19/97}

3-001.04H2 Ending the Disqualification: A household's disqualification must be ended if the head of household:

1. Becomes exempt from work requirements; or
2. Leaves the household.

If the disqualified individual is not the head of household, the disqualification period must be ended if the individual becomes exempt from work requirements.

If the disqualified individual leaves the household and joins a different SNAP household, the disqualification period in the new SNAP household continues until served. If the individual becomes the head of household in the new household and is not exempt from work requirements, the entire household is ineligible for the remainder of the disqualification period. If the individual is not the head of household in the new household and not exempt from work requirements, the individual is ineligible for the remainder of the disqualification period.

{Effective 07/17/2013}

3-001.04H3 Reapplying after Disqualification: The household may apply in the last month of the disqualification period. Eligibility can be reestablished no earlier than the date after the disqualification ends. If the household does not reapply, no further action is required of the worker.

If the household files an application before the end of the current disqualification period, the worker must use this application to:

1. Deny benefits for the remaining month(s) of disqualification period; and
2. Certify the household for subsequent months if all other eligibility standards are met.

{Effective 07/17/2013}

3-001.04H4 Occurrence or Discovery in the Last Month of Certification

3-001.04H4a Household Reapplies: If a failure or refusal to comply with a work participation requirement occurs or is discovered in the last month of the certification period, the worker must determine the disqualification at recertification.

If the household member who fails or refuses to comply with the work requirement is the head of household, the household is disqualified for an appropriate period starting with the day after the certification period expires.

The length of the disqualification is determined by whether it is the first, second, third or subsequent violation.

{Effective 9/4/2002}

3-001.04H4b No Reapplication: If a failure or refusal to comply with a work requirement occurs or is discovered in the last month of the certification period and the household does not reapply, the worker reviews when the violation occurred at the household's next certification. If the household reapplies during the disqualification period for the prior failure to comply violation, the remainder of the disqualification period must be applied. The disqualification period would begin the day after the certification period expires, which is:

1. One month for the first violation.
2. Three months for the second violation; and
3. Six months for the third and subsequent violation(s).

If the individual in violation is the head of household, the household is not eligible for benefits until the disqualification period is served. If the household is another household member, s/he must not be added to the household until the month following the month the disqualification period has been served.

3-001.04J ABAWD Work Requirements: ABAWDs are eligible for only three full months of SNAP benefits during a 36-month period without meeting an ABAWD work requirement or qualifying for an ABAWD work requirement exemption.

Months of prorated benefits do not count in the three months.

An ABAWD's 36-month period begins the first full month s/he does not meet an ABAWD work requirement or qualify for an ABAWD exemption.

3-001.04J1 Work Requirements for ABAWDs: Individuals age 18 through 49 are ineligible to receive SNAP benefits after three full months unless they meet one of the following criteria:

1. Working 20 or more hours per week (including in-kind or volunteer work) or a total of 80 hours per month;
2. Participating in and complying 20 or more hours per week or a total of 80 hours per month with the requirements of a work program. A work program means:

   a. A program under the Workforce Investment Act (WIA);
   b. A program under section 236 of the Trade Act of 1974; or
   c. An employment and training program (other than job search or job search training) approved by the State;
3. Any combination of working and participating in a work program for a total of 20 or more hours per week or a total of 80 hours per month.

{Effective 07/17/2013}

3-001.04J1a ABAWD Work Requirement Exemptions: Individuals are exempt if they meet one of the following:

1. Under 18 or over 49 years of age;
2. Physically or mentally unfit for employment;
3. Residing in a SNAP household where a household member is age 17 or younger, even if the household member who is age 17 or younger is not receiving SNAP benefits;
4. Pregnant;
5. Exempt from work requirements; or
6. Resides in an area that has been granted a federal ABAWD waiver due to insufficient jobs to provide employment.

3-001.05 (Reserved)

3-001.06 Student Status: A household member who is enrolled at least half time in an institution of higher education must meet one of the student eligibility exemptions to be eligible to participate. The program definition of a student is an individual enrolled at least half time in a regular curriculum at:

1. A college or university that offers degree programs, regardless of whether a high school diploma is required; or
2. A business, technical, trade, or vocational school that normally requires a high school diploma or equivalency certification for enrollment.

Note: An individual who is enrolled in a special program, such as courses for English Language Learners (ELL) or courses which are not part of the regular curriculum, is not considered enrolled in an institution of higher education.

Individuals attending school who are not required to meet the student status eligibility criteria are:

1. Individuals enrolled less than half time;
2. High school students of any age;
3. Graduate Equivalency Degree (GED) students of any age; and
4. Individuals enrolled in English as Second Language (ESL) courses only.

3-001.06A Student Exemptions: A student by program definition who meets one of the following requirements is eligible to participate if s/he is:

1. Age 17 or younger;
2. Age 50 or older;
3. Physically or mentally unfit;
4. Included in an ADC grant unit;
5. Enrolled in the Employment First Program;
6. Working an average of 20 hours or more per week for pay or 80 hours or more per month for pay or, if self-employed, working an average of 20 hours or more per week or 80 hours or more per month and receiving weekly or monthly earnings at least equal to the federal minimum wage multiplied by 20 hours per week or 80 hours per month;
7. Participating in a state or federally financed work study program during the regular school year;
   Note: The following restrictions apply to work study:
   a. The student must be approved for work study at the time of application for SNAP benefits;
   b. The work study must be approved for the school term and the student must anticipate actually working during that time;
   c. The work study exemption begins the month the school term begins or the month the work study is approved, whichever is later; and
   d. The work study exemption does not continue between terms when there is a break of a full month or more, unless the student is participating in work study during the break.
8. Participating in an on-the-job training program;
   Note: An individual is considered participating only during the time the person is being trained by the employer. During the period of time the person is only attending classes, this exemption would not apply.
9. Responsible for the care of a dependent household member who is age five or younger;
10. Responsible for the care of a dependent household member who is age 11 or younger when the worker has determined that adequate child care is not available to enable the student to attend class and comply with the work requirements of student eligibility;

11. A single parent enrolled full time in an institution of higher education and responsible for the care of a dependent child age 11 or younger;
    Note: This provision applies when only one biological, adoptive, or stepparent (regardless of marital status) is in the same SNAP household as the child. This provision may apply to another full-time student in the same SNAP household as the child when:
    a. No biological, adoptive, or stepparent is in the same SNAP household; and
    b. The student has parental control over the child and is not living with his or her spouse;
12. Assigned to or placed in an institution of higher education through or in compliance with the requirements of one of the following programs:
    a. Workforce Investment Act (WIA);
    b. State's Employment and Training Program;
    c. Section 236 of Trade Act of 1974; or
    d. Employment First program.

3-001.06B (Reserved)

3-001.06C Continued Enrollment: The worker considers enrollment as continued through normal periods of class attendance, vacation, and recess unless the student graduates, drops out, is suspended or expelled, or does not intend to register for the next normal school term (excluding summer school).

3-001.06D Verification of Student Status: The worker verifies student status eligibility by taking the following steps:

1. If the student indicates s/he is employed an average of 20 hours or more per week or 80 hours or more per month, the worker verifies the number of hours employed.
2. If the student indicates s/he actively participates in a state or federal work study program during the regular school year, the worker verifies this participation.

3. If the student states s/he is physically or mentally unfit, the worker verifies the physical or mental impairment if it is not obvious to the worker.
4. If the student states s/he is receiving and is included in the ADC grant, the worker verifies the receipt of the ADC grant.
5. If the student states s/he is enrolled in the Employment First Program the worker verifies the enrollment.
6. If the student states s/he is responsible for the physical care of a dependent child, the worker uses the student's declaration as verification and documents the client's declaration in the case record.
7. If the student is participating in training through the Workforce Investment Act (WIA), a program under Section 236 of the Trade Act of 1974, or a state or local employment and training program, the worker verifies participation and that the student is attending an institution of higher education.

3-001.07 Social Security Number (SSN): All household members applying for participation in the SNAP Program must provide their SSN. If an applicant household member does not have an SSN, s/he must apply for one before certification unless s/he has good cause for failure to apply.

Providing the SSN is voluntary, however failure to provide or apply for an SSN will result in the denial of SNAP benefits to each individual failing to provide an SSN. A household member with more than one SSN must provide all of them. The SSN of a non-participating household member will be used in computer matching and program reviews or audits in the same manner as the SSN of a participating household member.

To be eligible, a household member who previously has not provided an SSN must:

1. Provide the local office with his/her SSN;
2. Demonstrate that application has been made for an SSN; or
3. Demonstrate that s/he has attempted to supply the documentation required for an SSN.

Parents of a newborn child may apply for an SSN for the child at the hospital when this service is available. A household must provide proof of application for an SSN for a newborn child or within six months following the month the baby is born or at its next recertification, whichever is later.

The application cannot be delayed pending the verification of an SSN.

3-001.07A Applying for a Social Security Number (SSN): Individuals who wish to participate in the SNAP Program but do not have an SSN should be referred to their local Social Security Administration Office to apply for an SSN. Once an application for an SSN has been completed, the individual may participate during the period the SSN is being obtained from the Social Security Administration.

3-001.07B Good Cause: The worker must consider the following when determining whether good cause exists for failure to provide an SSN;

1. Information received from the household member;
2. Information received from the SSA; and
3. Information received by the local office staff.

The worker considers documentary evidence or other information that the household has applied for or made every effort to supply the necessary information for an SSN as proof of good cause.

Good cause does not include delays caused by illness, lack of transportation, or temporary absences from the home because SSA makes provisions for mail in applications in lieu of applying in person.

3-001.07B1 Continued Participation: If a household member can show good cause for why s/he has been unable to provide verification in order to complete the SSN application process, the worker allows him/her to participate for the month of application and one additional month. After this, the household must show good cause monthly in order to continue participating.

3-001.07C Ending Disqualification: An ineligible household member may become eligible by:

1. Providing the worker with his/her SSN;
2. Demonstrating that application has been made for an SSN; or
3. Demonstrating that s/he has attempted to supply the documentation required for an SSN application.

3-001.07D Use of the Social Security Number: Workers are required to use their access to information regarding individual SNAP applicants and participants who receive benefits under Title XVI of the Social Security Act to determine a household's eligibility or to verify information related to the benefits of these households. Workers use the SDX and BENDEX to the greatest extent possible. The worker uses the SSN to:

1. Prevent duplicate participation;
2. Facilitate mass changes in federal benefits;
3. Determine the accuracy or reliability of information given by households; and
4. Initiate computer matches through the automated system.

3-001.07E Verification of Social Security Numbers: SSNs for all household members are verified through the interface in the automated system.

3-001.08 Drug Felon Status: For the SNAP Program, a drug felon is any individual who has a drug-related felony violation and conviction after August 22, 1996, involving the sale or distribution of a controlled substance, including the intent to sell or distribute, or for the possession or use of a controlled substance.

3-001.08A Permanently Disqualified Drug Felon: An individual who is a drug felon is permanently disqualified from the SNAP Program when s/he has:

1. A drug-related violation and felony conviction after August 22, 1996, involving the sale or distribution of a controlled substance, including the intent to sell or distribute;
2. Fewer than three drug-related felony violations and convictions after August 22, 1996, for the possession or use of a controlled substance but has not participated in or completed an approved substance abuse treatment program since the last conviction; or
3. Three or more drug-related felony violations and convictions after August 22, 1996, for possession or use of a controlled substance.

3-001.08B Eligible Drug Felon: An individual with fewer than three drug-related violations and convictions after August 22, 1996, for the possession or use of a controlled substance continues to be an eligible household member when s/he is participating in or has completed an approved substance abuse treatment program since their last conviction. The program must be either nationally accredited or state-licensed to qualify as an approved substance abuse treatment program.

The determination of whether or not the drug felon is participating in or has completed the program must be made by the treatment provider administering the program.

{Effective 4/10/2006}

3-001.09 Strikers: For SNAP Program purposes, a striker is anyone who is not affected by a lockout or is not exempt from work requirements the day before the strike occurred and is involved in:

1. A strike;
2. A planned break in work by employees (including a break in work which occurs because a collective bargaining agreement has expired); or
3. A planned slowdown or other planned interruption of operations by employees.

Note: The work requirement exemption must be based on grounds other than solely being employed the day before the strike.

3-001.09A Non-Strikers: The following persons are not considered strikers:

1. Employees whose workplace is closed by an employer in order to resist demands of employees (i.e., lockout);
2. Employees unable to work as a result of striking employees (i.e., baggage handlers unable to work due to a strike of airline pilots); and
3. Employees who are not part of the bargaining unit on strike who do not want to cross the picket line due to fear of personal injury or death.

3-001.09B Eligibility of Strikers: A household containing a striker is eligible only if the household would have been eligible the day before the strike began. Households which were participating in the program before a member became a striker retain their eligibility only if they are otherwise eligible. For households which contain a striker at the application filing date, the worker determines whether the household would have been eligible before the strike. If the household would not have been eligible, the application must be denied. If the household would have been eligible, the worker processes the application to determine current eligibility.

3-001.09C Work Requirements of Strikers: Strikers are subject to the same work requirements as other SNAP applicants/participants unless they were exempt on the application filing date. When it is determined that a strike is unlawful as specified in the program definition for suitable employment, and the striker refuses to return to work, the worker denies the application or terminates the household's participation (whichever is appropriate).

3-001.10 Household Composition: Before the worker can determine financial eligibility, the household must meet certain criteria, and the worker must determine the number of individuals to be included in the household. The following guidelines apply:

1. Individuals participating in the program titled, “Food Distribution Program for Households on Indian Reservations” are not eligible to receive SNAP benefits in the same calendar month.
2. Household members may only participate in one household during the month unless the members live in a shelter for battered persons and were members of the household containing the person who allegedly abused them.
3. Persons who reside in institutions are not included in the same household with persons who do not.
4. Unborns are not considered household members.
5. Persons who live with the household but also maintain separate residence because of work, school, or other reasons are not considered household members if they are apart from the household for a majority of their meals.
6. Persons who receive SSI or State Supplementary payments from California are not eligible for SNAP benefits. SSI and supplementary payments from California have been specifically increased to include the value of the SNAP benefit. Once these individuals begin receiving SSI through Nebraska, they would be eligible for SNAP benefits in Nebraska.

3-001.10A Household Concept: A household may be composed of any of the following individuals or groups of individuals:

1. An individual living alone;
2. An individual living with others, but customarily purchasing food and preparing meals for home consumption separate and apart from the others;
3. A group of individuals who live together and customarily purchase food and prepare meals together for home consumption;

4. An individual who is 60 years of age or older and who is unable to purchase and prepare meals separate from other household members because:
   a. S/he suffers from a disability considered permanent by SSA; or
   b. S/he suffers from a non-disease-related, severe, permanent disability.

   An individual meeting the above criteria may be a separate household provided that the income of the others with whom the individual resides (excluding the income of the spouse of the elderly and disabled member) does not exceed the 165 percent poverty guidelines. The individual's spouse would be included in the household with the disabled individual.
5. Children (age 22 or older) and their parent(s) may be separate households if they purchase and prepare their meals separately;
6. A foster child in the Independent Living Program under the supervision of the Department; or
7. Residents of Facilities.

3-001.10B Determining Household Status: Some individuals or groups of individuals who meet the definition of a household by customarily purchasing and preparing food apart from others must not be granted separate household status. The worker does not grant separate household status to:

1. A spouse of a household member when the spouse lives with the household;
2. A boarder;
3. Parent(s) and their child(ren) who are age 21 or younger and live together; or
4. Children who are age 17 or younger and under the parental control of an adult household member.

   Note: A child is considered to be under parental control for purposes of this provision if s/he is financially or otherwise dependent on a member of the household.

Individuals who claim separate household status are responsible for proving the separate status to the satisfaction of the worker.

{Effective 9/4/2002}

3-001.10C Non-Household Members: The following individuals residing with a household will not be considered household members in determining the household's eligibility or benefit:

1. A roomer or an individual to whom a household furnishes lodging, but not meals, for compensation;
2. A live-in attendant who resides with a household to provide medical, housekeeping, child care, or other similar personal services;
3. Other individuals who share quarters with the household but who do not customarily purchase food and prepare meals with the household;
4. Students who are enrolled in an institution of higher education and who are ineligible because they failed to meet the student eligibility exemption criteria; and
5. Individuals receiving SSI or State Supplemental payments from California.

3-001.10C1 Eligible As A Separate Household: The following non-household members may be separate households, providing they file an application, if otherwise eligible:

1. Roomers;
2. Live-in attendants; and
3. Other individuals who live with the household but who do not customarily purchase and prepare food with the household.

3-001.10C2 Not Eligible As Separate Household: The following non-household members are not eligible as separate households:

1. Ineligible students;
2. Individuals receiving SSI or State Supplemental payments from California;
3. Foster child(ren); and
4. Ineligible aliens.

3-001.10D Excluded from Benefit: The following household members are excluded from the household when determining benefit level and may not participate as separate households:

1. Individuals who do not apply for or provide their Social Security numbers;
2. Ineligible ABAWDs;
3. Ineligible aliens or individuals who do not provide information regarding their citizenship/alien status;
4. Individuals disqualified for failure to comply with the work requirements; and
5. Individuals disqualified for the following reasons:
    a. Intentional Program Violation;
    b. Conviction for the use of SNAP benefits in the sale of a controlled substance;
    c. Conviction for trafficking SNAP benefits totaling $500 or more;
    d. Drug-related felony violation and conviction after August 22, 1996, involving a controlled substance as follows:

(1) Conviction for a drug-related felony involving the sale or distribution of a controlled substance, including the intent to sell or distribute;
(2) Three or more drug-related felony violations and convictions for possession or use of a controlled substance; or
(3) Fewer than three drug-related felony violations and convictions for possession or use of a controlled substance and not participating in or not completing an approved substance abuse treatment program since the last conviction;

e. Fleeing from prosecution or custody for a felony, parole or probation violation;
f. Found guilty by a court or state agency of having made fraudulent representation of identity or residency to receive SNAP benefits in more than one household in the same month; and
g. Conviction for the use of SNAP benefits in the sale of firearms, ammunition, or explosives.

{Effective 07/17/2013}

3-001.10E Determining Household Composition: To determine the household composition, the worker must:

1. Identify the total number of people who live together;
2. Determine the relationship of individuals who live together;
3. Identify who:
   a. Must be a member of the household;
   b. Is a member by choice;
   c. Is not a member of the household; and
4. Include as household members those who must be and those who choose to be household members.

3-001.10E1 Verification of Household Composition: The worker must verify and document any factors affecting the composition of the household, such as boarder status, if questionable. However, due to the difficulty in verifying whether a group of individuals customarily purchases or prepares meals together and therefore constitutes a household, the worker must generally accept the household's statement regarding preparation and purchasing of food.

3-002 Financial Eligibility: This section discusses financial eligibility criteria including how to treat resources and income in determining eligibility for SNAP.

3-002.01 Resources: All households must comply with the resource eligibility standard to establish or continue eligibility. The household's available resources at the time the household is interviewed are used to determine eligibility. Resources acquired after the interview date are considered in subsequent months.

3-002.01A Resource Eligibility Standard: To be eligible, the value of a household's resources cannot exceed:

1. $2,250; or
2. $3,250 for a household which consists of or includes a member who is disabled or elderly.

The resources of any household member who receives an ADC, SSI, SDP, or AABD payment are excluded. All resources are excluded for categorically eligible households. Total liquid resources of $25,000 or less are excluded for ERP households. Liquid resources include cash on hand and funds in personal checking and savings accounts, money market accounts and share accounts. All non-liquid resources are excluded for ERP households.

All resources which are not specifically excluded or exempt are considered in determining eligibility. This includes nonrecurring lump sum payments in the month received. If a household exceeds the maximum resource limit, its application must be denied or its participation terminated.

3-002.01B Type of Resources: There are two types of resources: liquid and nonliquid.

3-002.01B1 Liquid Resources: Liquid resources include cash on hand; money in checking and savings accounts, savings certificates, stocks or bonds; and nonrecurring lump sum payments.

{Effective 6/28/11}

3-002.01B2 Nonliquid Resources: Nonliquid resources include personal property, licensed and unlicensed vehicles, buildings, land, recreational properties, and any other property, provided none of these are specifically excluded.

3-002.01C Excluded Resources: The following resources are excluded in determining eligibility:

1. The home and surrounding property which is not separated from the home by intervening property owned by others. The worker notes that:
   a. Public rights of way, such as roads which run through the surrounding property and separate it from the home, do not affect the exclusion of the property;
   b. The home and surrounding property must remain excluded when temporarily unoccupied for reasons of employment, training for future employment, illness, or not habitable due to a casualty or natural disaster, if the household intends to return;
   c. 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, receive an exclusion for the value of the lot and, if it is partially completed, for the home;
2. Household goods, such as furniture including antiques;
3. Personal effects, including all clothing, jewelry, pets, and personal collections such as coins, stamps, or guns;
4. A burial space per household member, ineligible alien, or disqualified member;

5. Prepaid burial items which include the crypt, mausoleum, urn, casket, marker, vault, charges for opening and closing the grave or other repository for the remains of the deceased person;
6. Bona fide funeral agreements that are accessible to the household up to a total of $1,500 equity per household member;
7. The cash value of life insurance policies;
8. Irrevocable burial agreements (prearranged funeral plans) pursuant to Neb. Rev. Stat., Sections 12-1106 and 68-129;
9. All tax-preferred education accounts (e.g., 529 qualified tuition program, Coverdell education savings), retirement accounts (e.g., IRAs) and other retirement programs or accounts determined to be exempt from tax under the Internal Revenue Code of 1986 (see 475-000-314);
10. Licensed vehicles;
11. Leased vehicles during the agreement or contract period. If a household purchases the vehicle at the end of the contract, the value of the vehicle at the time of purchase would be considered;

{Effective 6/28/11}

12. Property which annually produces income consistent with its fair market value, even if it is only used on a seasonal basis. This includes rental homes and vacation homes;
13. Property deemed essential to the employment or self-employment of a household member, an ineligible alien or a disqualified person whose resources are being counted as part of the household's resources. This could include farm land and work-related equipment, such as the tools of a tradesman or the machinery of a farmer;
14. Real and personal property used for the maintenance of a vehicle used to transport a handicapped person or a disqualified household member whose resources are considered available to the household or used for income producing purposes. Only that portion of real property necessary for maintenance of the vehicle is excludable;
15. Money which is projected and counted as income in the SNAP budget. Money is never counted as both income and a resource in the same month;
16. Installment contracts for the sale of land or buildings if the contract or agreement is producing income consistent with the fair market value;
17. The value of property sold under an installment contract or held as security in exchange for a purchase price consistent with the fair market value of that property;
18. Any government payments such as, but not limited to, Small Business Administration (SBA) loans when used for the restoration of a home damaged in a disaster. The household is subject to a legal sanction if the funds are not used as intended;
19. Money which has been prorated as income for students and self-employed persons;

    Note: The funds retain their exemption for the period of time over which they have been intended to cover;
20. All financial assistance given to students in the form of grants, loans and scholarships during the period the funds are intended to cover;

21. A business bank account provided the account is clearly separated from the household's personal bank account to the extent that money in the account was considered as income;
22. Land that can be sold only with the approval of the Bureau of Indian Affairs or Indian lands held jointly with the tribe;
23. Benefits under P.L. 104-204 for children of Vietnam veterans who were born with spina bifida. A child is the biological child conceived after the veteran first served in the Republic of Vietnam during the Vietnam era, regardless of age or marital status of the Vietnam veteran;
24. Payments from designated Energy Assistance Programs;
25. A non-liquid asset which has a lien placed against it as a result of taking out a business loan if the household is prohibited from selling the asset by the security or lien agreement;
26. Resources excluded for SNAP purposes by provisions of federal statutes. These include:
    a. Benefits received under the special supplemental food program for women, infants, and children (WIC) program under the Child Nutrition Act of 1966;
    b. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970;
    c. Payments received under the Alaska Native Claims Settlement Act, the Sac and Fox and Indian claims agreement, and payments received by certain Indian tribal members, under P.L. 94-189, Section 6;
    d. Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540);
    e. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (P.L. 95-433, Section 2);
    f. Payments to the Passamaquoddy Tribe, the Penobscot Nation, the Houton Band of Maliseet pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Section 9(c);
    g. Relocation assistance payments to members of the Hopi and Navajo tribes under P.L. 93-531, Section 22;
    h. Payments distributed or held in trust by the Chippewas of the Mississippi Tribe (P.L. 99-377, Section 4b) and to the Red Lake Band of Chippewa Indians under P.L. 98-123, Section 3;
    i. Financial assistance provided by the program funded in whole or part under Title IV of the Higher Education Act in accordance with P.L. 99-498;
    j. Mandatory deductions from military pay for educational purposes while the recipient is enlisted;
    k. Payments to U.S. citizens of Japanese ancestry and resident Japanese aliens or their survivors and payments to eligible Aleuts (P.L. 100-383, Wartime Relocation of Civilians);
    l. Payments made under the Disaster Relief and Emergency Assistance Amendments of 1988;
    m. Indian per capita payments of $2,000 or less for each household member per payment under Per Capita Distribution Act (P.L. 103-66, Section 13736);

n. Per capita payments made under P.L. 98-124, and distributions to the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Pack Indian Reservation, Montana;
o. Payments made from the Agent Orange Settlement Fund or any fund established by the Settlement of the Agent Orange liability under the Radiation Exposure Compensation Act (P. L. 101-426, Section 6 (h) (2).
p. Disaster assistance payments made to farmers under P.L. 100-387;
q. Earned Income Tax Credit (EITC) the month of receipt and the following month;
r. EITC for 12 months if the household is participating at the time of receipt and participates continuously during the 12-month period;
s. The resources of any household member who receives an ADC, SSI, SDP, or AABD payment;
t. Funds in a Program to Achieve Self-Sufficiency (PASS) account;
u. Payments to individuals due to their status as victims of Nazi persecution;
v. Subsidy received by household through the prescription drug discount card program under the Medicare Prescription Drug Improvement and Modernization Act; and
w. Funds in HUD Family Self-Sufficiency Program (FSSP) escrow account;

27. The value of farmland, equipment, supplies, and licensed vehicles for a period of one year after a household member ceases to be self-employed in farming;
28. Resources whose cash value is not accessible to the household. These include, but are not limited to:
    a. Security deposits on rental properties or utilities;
    b. Property in probate;
    c. Real property which the household is making a good faith effort to sell at a reasonable price and which has not been sold (the worker may verify that the property is for sale and that the household has not declined a reasonable offer); and
    d. Irrevocable trust funds. For purposes of this section, an irrevocable trust is one in which no household member has the power to revoke the trust arrangement. The worker considers irrevocable trust funds inaccessible to the household provided all the following conditions are met:
        (1) No household member has the power to change the name of the beneficiary during the certification period and the trust arrangement is not likely to cease during the certification period.
        (2) The trustee is either:
            (a) A court, institution, corporation, or organization not under the direction of any household member; or
            (b) An individual appointed by the court with court-imposed limitations placed on the use of the funds.
        (3) Trust investments do not directly involve any business or corporation under the direction or influence of a household member.
        (4) The irrevocable trust funds are either:
            (a) Established from the household's own funds to make investments on behalf of the trust or to pay educational or medical expenses of a household member; or
            (b) Established from non-household funds by a non-household member;

29. Resources whose sale is unlikely to produce any significant amount of funds to the household and whose sale would result in a return of $1500 or less. This exclusion does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments; and
30. Non-liquid resources and liquid resources of $25,000 or less for households eligible for the Expanded Resource Program.

{Effective 07/17/2013}

3-002.01C1 Handling Excluded Liquid Resources: Excluded monies remain excluded for an unlimited period of time if these monies are kept in a separate account and not combined in an account with non-excludable funds. Funds, other than assistantships, fellowships and stipends, received for educational financial assistance are an excluded resource during the period the funds are intended to cover. When excludable monies are combined in an account with non-excludable funds, the excluded monies remain excluded for six months from the date they were combined with non-excluded funds. After the six months have elapsed, all funds in the combined account are counted as resources.

Note: When an exclusion applies because of the use of a resource by or for a household member, the exclusion also applies when the resource is being used by or for an ineligible alien or disqualified person whose resources are being counted as part of the household's resources.

{Effective 1/3/2005}

3-002.01D Valuation of Resources: The value of any non-excluded resource is its equity value with the exception of some licensed vehicles.

3-002.01D1 Equity Value: Equity value equals the fair market value minus all encumbrances.

3-002.01D2 Encumbrances: An encumbrance is the balance due on a mortgage, sales agreement, or contract.

3-002.01E Jointly Owned Resources: Resources owned jointly by separate households must be considered entirely available to each household, unless the applicant household can demonstrate that these resources are inaccessible to the household's member(s).

Ineligible household members and disqualified household members are considered household members for purposes of this section.

3-002.01E1 Portions of a Resource: If a household can demonstrate that it has access to only a portion of a jointly owned resource, the value of that portion is counted toward the resource limit.

3-002.01E2 Totally Inaccessible Resources: A jointly owned resource is considered totally inaccessible to a household when both of the following conditions are met:

1. The resource cannot realistically be subdivided; and
2. The household's access to the value of the resource depends on the agreement of a joint owner who refuses to cooperate.

3-002.01E3 Residents of Shelters for Battered Persons: Resources are considered inaccessible to residents in shelters for battered persons if:

1. The resources are jointly owned by these persons and by members of their previous households which included the persons who subjected them to abuse; and
2. The shelter resident's access to the value of the resources is dependent on the agreement of a joint owner who still lives in the previous household which included the person who subjected them to abuse.

3-002.01F Transfer of Resources: The transfer of resources for the purpose of qualifying for or attempting to qualify for SNAP benefits is prohibited. At the time of application, the worker asks the household if any member has transferred any resources within the three-month period immediately preceding the application date.

3-002.01F1 Allowable Transfers: Eligibility is not affected by the transfer of the following:

1. Resources which would not otherwise affect eligibility;
2. Resources which are sold or traded at or near fair market value;
3. Resources which are transferred between members of the same household including aliens or disqualified household members whose resources are being considered available to the household; or
4. Resources which are transferred for reasons other than qualifying for or attempting to qualify for SNAP benefits;
5. Resources transferred by categorically eligible households; or
6. Transfer of nonliquid resources for Expanded Resource Program households.

{Effective 07/17/2013}

3-002.01F2 Disqualification: Households which have transferred resources deliberately for the purpose of qualifying for or attempting to qualify for SNAP benefits must be disqualified from participation for up to one year from the date the transfer is discovered as follows:

1. The resources are transferred in the three-month period before eligibility determination; or
2. The resources are transferred after the household is determined eligible in order to maintain eligibility. (This would apply to resources acquired after the eligibility determination.)

3-002.01F3 Disqualification Notice: When the agency has established that a household has transferred resources in order to qualify for benefits or to maintain eligibility, the worker must send the household a notice of denial or a timely notice whichever is appropriate. This notice must explain the reason for and the length of the disqualification.

3-002.01F4 Disqualification Period: The disqualification period begins in the application month for applicants. For households participating at the time of the discovery, the disqualification period begins with the first allotment after the timely notice period expires, unless a fair hearing and continued benefits are requested.

The length of the disqualification period is based on the value of the excess resources at the time of the transfer. This amount is determined by:

1. Establishing the value of any non-excluded transferred resources;
2. Adding this amount to the value of other countable resources; and
3. Subtracting the maximum allowable resources from the result of step 2.

The following chart is used to determine the length of the disqualification period.

Amount in Excess of the Resource Limit	Disqualification Period
$ 0 – 249.99	1 month
$ 250 – 999.99	3 months
$1,000 – 2,999.99	6 months
$3,000 – 4,999.99	9 months
$5,000 or more	12 months

{Effective 12/26/2007}

3-002.01G Licensed Vehicle as a Resource: The following sections regarding determining the value of licensed vehicles do not apply when the household is categorically eligible. The resources of any individual household member who receives an ADC, SSI, SDP, or AABD payment are excluded.

3-002.01G1 Access to Vehicles: The worker uses the following policy to determine if a vehicle is accessible to all persons whose names appear on the title:

1. “And/or” indicates that the vehicle is available to all parties.
2. “Or” indicates that the vehicle is available to all parties.
3. “And” indicates that the vehicle is available to all parties unless the applicant household can demonstrate that the resource is totally inaccessible.

3-002.01G2 Excluded Licensed Vehicles: Any licensed vehicle is an excluded resource if the vehicle meets one of the following conditions:

1. The vehicle is used for income-producing purposes such as taxi; truck; vehicle used for deliveries, to call on clients or customers, or required by the terms of employment.
2. The vehicle is annually producing income consistent with its fair market value, even if it is used only seasonally.
3. The vehicle is necessary for long distance travel that is essential to the employment of a household member (or household member[s] whose resources are being considered as available to the household), such as a vehicle belonging to a traveling salesperson or a migrant farm worker following the workstream. This exemption does not include vehicles used for daily commuting.
   Note: Exclusions 1 through 3 continue to apply when the vehicle is not in use because of temporary unemployment, e.g., when a taxi driver is ill and cannot work.

4. The vehicle is used as the household's home.
5. The vehicle is needed to transport a physically disabled household member (or household member[s] whose resources are being considered as available to the household) for any reason. The vehicle does not have to be specially equipped for this purpose. This exclusion is limited to one vehicle for each physically disabled household member.
6. The vehicle is necessary to carry the primary source of fuel for heating or water for home use.
7. The vehicle has been used in self-employed farming by a household member for a period of one year after the household member ceases to be self-employed in farming.
8. The sale of the vehicle and all related sale costs would return to the household $1500 or less.
9. After vehicle exclusions numbers 1 through 8 have been processed for each household vehicle, one licensed or unlicensed vehicle per household may be excluded using the following policy.
   If the vehicle has a fair market value of:
   a. $12,000 or less, the total value of the vehicle is excluded; or
   b. More than $12,000, the amount over $12,000 is counted toward the household's resource limit.
   The vehicle with the greatest fair market value is processed through the $12,000 rule. The $12,000 rule is limited to one vehicle per household.

The worker must accept the statement of the household regarding vehicles qualifying for an exclusion unless questionable.

{Effective 1/3/2005}

<u>3-002.01G3 Determining the Value of Non-Excluded Licensed Vehicles:</u> Each vehicle which cannot be excluded must be assigned a fair market value. The fair market value of a vehicle is the average trade-in value as determined by Kelley Blue book. The basic value of a vehicle must not be increased by adding value for low mileage, optional equipment, or special equipment for people with disabilities, etc. For vehicles which are in less than average condition (as indicated by the household), the household must be given the opportunity to get verification of the true value from a reliable source.

For vehicles not listed in the Kelley Blue Book, the worker must accept the household's estimate of the fair market value unless:

1. The worker has reason to believe the estimate is incorrect; and
2. The estimate will affect the household's eligibility.

In these cases, the household must obtain an appraisal or produce other evidence of the vehicle's value, such as a tax assessment or newspaper advertisement listing the price of similar vehicles.

For licensed antique, custom-made, or classic vehicles, the worker asks the household to provide verification of the value if the worker is unable to make an accurate appraisal.

Either the equity value of the vehicle or the fair market value of the vehicle minus $4,650 is counted against the household's resource limit. The equity value is the fair market value of the vehicle minus encumbrances.

{Effective 12/26/2007}

3-002.01G4 Licensed Vehicles Valued at Fair Market Value Minus $4,650: The following vehicles are evaluated only for their fair market value minus $4,650:

1. One licensed vehicle per household member age 18 or older (or household member[s] whose resources are being considered available to the household), regardless of use of the vehicle; and
2. Any other vehicle a household member age 17 or younger drives (or a household member[s] age 17 or younger whose resources are being considered as available to the household);
   a. To and from employment;
   b. To and from training or education which is preparing a household member for employment; or
   c. To seek employment in compliance with job search criteria.

Note: Number 2 continues to be applied during periods such as summer vacation or temporary unemployment.

{Effective 12/26/2007}

3-002.01G4a Remaining Licensed Vehicles: If a household has any other licensed vehicles, they must be evaluated for both equity and fair market value minus $4,650. The greater of these two amounts is applied toward the household's countable resources.

{Effective 12/26/2007}

3-002.01H Unlicensed Vehicles as a Resource

3-002.01H1 Excluded Unlicensed Vehicles: An unlicensed vehicle is excluded if:

1. Used as the household's home;
2. Annually produces income consistent with its fair market value;
3. Essential to a household member's employment such as farm equipment;
4. On an Indian reservation which does not require vehicles driven by tribal members to be licensed; or
5. One licensed or unlicensed vehicle per household may be excluded using the following policy. This exclusion is limited to only one vehicle per household. If the vehicle has a fair market value of:
   a. $12,000 or less, the total value of the vehicle is excluded; or
   b. More than $12,000, the amount over $12,000 is counted toward the household's resource limit.

The vehicle with the greatest fair market value is processed through the $12,000 rule. The $12,000 rule is limited to one vehicle per household.

{Effective 1/3/2005}

3-002.01H2 Non-Excluded Unlicensed Vehicles: The equity value of non-excluded unlicensed vehicles is applied to the household's resource limit. The equity value is the fair market value of the vehicle minus encumbrances.

{Effective 12/26/2007}

3-002.01J Verification of Resources: The worker must verify the value of non-excluded resources and loans at the time of application and recertification if the total amount of countable resources indicated on the application is $1500 or more. Client declaration is accepted when the total amount of resources indicated on the application is less than $1500. For categorically eligible households, the worker is not required to verify the value of resources independent of verification for SSI, AABD, SDP, and/or ADC. The worker is not required to verify the value of liquid resources of $25,000 or less or to verify the value of nonliquid resources for Expanded Resource Program households.

The worker does not verify resources on an ongoing basis during the certification period unless:

1. The worker receives information which makes the information given by the household at application appear questionable;
2. The CR or SR household reports the receipt of a resource which may put the household over the resource limit; or
3. The CR or SR household loses its categorical eligibility.

{Effective 07/17/2013}

3-002.01J1 Verification of Loans: Loans are considered a resource in the month received. To verify that money coming to the household is a loan (and is therefore considered a resource rather than income), the worker:

1. Accepts as loan verification a simple statement signed by the household member receiving the loan AND the party providing the loan indicating that the payment is a loan and must be repaid; and
2. Requires a statement from the provider indicating that payments are being made or will be made in accordance with an established schedule when a household claims that payments from the same source received on a recurrent or regular basis are loans.

3-002.01J2 Verification of Questionable Resources for Categorically Eligible, Expanded Resource Program, or Regular Program Households: Households must provide verification of resources if questionable in order to receive SNAP benefits. If resources are questionable and the household fails or refuses to provide verification, the household is not eligible for SNAP.

{Effective 07/17/2013}

3-002.02 Types of Income: Household income is all income, regardless of source, that is not specifically excluded. There are two types of income: earned and unearned.

3-002.02A Earned Income: Earned income includes all the following:

1. All gross wages and salaries of an employee including wages earned by a household member that are garnished or transferred by an employer and paid to a third party for household expenses, such as rent;
2. The gross income from a self-employment enterprise minus the cost of doing business. This includes payments from a roomer or boarder and income from rental property if a household member actually manages the property for at least an average of 20 hours per week;
3. Training allowances from vocational or rehabilitative programs recognized by federal, state, or local governments, as long as these allowances are not reimbursements or are not excluded for another reason;
4. Payments to a volunteer under Title I (VISTA) of the Domestic Volunteer Services Act of 1973 if the volunteer was not receiving SNAP or public assistance at the time s/he joined VISTA;
5. Agricultural program payments in the year received;
6. Fellowships, stipends, and assistantships with a work requirement; and
7. On-the-job training payments under Title I of the Workforce Investment Act (WIA) except for dependents 18 years or younger.

<u>3-002.02B Unearned Income</u>: Unearned income includes all the following:

1. Assistance payments from federal, federally aided or state funded public assistance programs such as Supplemental Security Income (SSI), SDP, AABD, or ADC;
2. All or part of a public assistance (PA) or general assistance (GA) (including GA vendor payments for shelter when the household received no other assistance payments) grant that would normally be a money payment to the household but which is diverted to a third party or a protective payee unless the vendor payment is specifically excluded;
   <u>Note</u>: No portion of benefits provided under Title IV-A of the Social Security Act except for Transitional Child Care (TCC) used as an adjustment for work-related or child care expenses is considered excludable under this provision.
3. Assistance payments from programs which require, as a condition of eligibility, the actual performance of work without compensation other than the assistance payments themselves;
4. Foster care payments:
   a. Foster care payments from grant programs Child and Family Services, Juvenile Court, and Subsidized Guardianship. Households have the option to include or exclude the children. If the children are included the payment is counted; or
   b. Foster care payments from the grant program Subsidized Adoption. Households are required to include these children and their payments in the SNAP budget;
5. State and local energy payments made directly to the household or as a vendor payment to the provider;
   <u>Note</u>: LIHEAP payments and one-time costs of weatherization or replacement of unsafe or inoperative heating devices are excluded.

6. Retirement benefits, veterans' benefits, disability benefits, RSDI benefits, strike benefits, workmen's compensation, the gross amount of unemployment compensation, annuities, and pensions;
7. Gross rental property income minus the cost of doing business if a household member is not actively engaged in managing the property for an average of at least 20 hours per week;
8. Portions of reimbursements if both the following conditions are met;
   a. The reimbursement exceeds the actual incurred expense it is intended to cover; and
   b. The household or the provider of the reimbursement indicates that the reimbursement exceeds the expense;
9. Alimony payments made directly to the ex-spouse or money deducted or diverted from a court-ordered support to a third party for a household expense.
10. Child support payments made directly to the household from non-household members. This includes:
    a. All child support payments returned to the client by the Child Support Payment Center; and
    b. Money deducted or diverted from a court-ordered support payment (or other binding written support agreement) to a third party for a household expense;
11. All other direct money payments which can be construed as a gain or benefit to the household, such as cash gifts which can be anticipated, dividends, interest, or royalties, are unearned income, regardless of source;
12. The portion of charitable donations that exceed $300 in a federal fiscal quarter (see also 475 NAC 3-002.03A13); and
13. Two types of income from irrevocable trust funds as follows:
    a. Monies withdrawn from the trust fund are considered unearned income in the month they are received unless they are otherwise excluded;
    b. Dividends which the household has the option of either receiving as income or reinvesting in the trust are considered unearned income in the month they become available to the household unless the dividends are otherwise excluded; and
14. Fellowships, stipends, and assistantships without a work requirement.

3-002.03 Handling Income:

3-002.03A Income Exclusions: Income exclusions are not counted as income for the household. Exclusions apply to both earned and unearned income.

Payments between household members are excluded. This includes payments for child care or other services provided for other household members as long as the source of the payment is from an individual within the household and not an outside source.

{Effective 6/9/2003}

3-002.03A1 In-Kind Income: In-kind income is any gain or benefit to the household which is not in the form of money, such as meals, clothing, private or public housing, and garden produce. All in-kind income is excluded.

3-002.03A2 Vendor Payment: Certain vendor payments are excluded. A vendor payment is a money payment which meets all the following conditions. It is:

1. Made on behalf of a household;
2. Paid by a person or organization outside the household with that person's or that organization's own funds; and
3. Paid directly to either the household's creditors or a person or organization providing a service to the household.

Income which is legally obligated and otherwise payable to the household but which is diverted by the provider of the payment to a third party for a household expense is counted as income and not excluded as a vendor payment.

3-002.03A2a Excluded Vendor Payments: Excluded vendor payments include:

1. Support payments which are not required by a court order or other legally binding agreement, including payments exceeding the amount specified in a court order or agreement, which are paid directly to a third party rather than the household;
2. Rent paid directly to the landlord by a household member's employer in addition to the member's regular wages;
3. Rent or mortgage payments made to landlords or mortgagees by Housing and Urban Development (HUD) or a state or local housing authority;
4. A PA or GA payment which is paid directly to a third party for:
   a. Medical assistance;
   b. Child care assistance;
   c. Burial expenses;
   d. Expenses incurred by migrant and seasonal farm workers while in the job stream;
   e. Expenses over and above the normal assistance payment; and
   f. Shelter expenses, if the household received an additional assistance payment and a GA payment for shelter.
5. LIHEAP payments.

3-002.03A3 Irregular Income: Any income which is received too irregularly or too infrequently to be reasonably anticipated and is less than $30 in a three-month period is excluded.

3-002.03A4 Student Financial Assistance: All student financial assistance with the exception of assistantships, fellowships and stipends is excluded. Fellowships, assistantships, and stipends are countable income.

{Effective 1/3/2005}

3-002.03A5 Loans: All loans from private individuals and commercial institutions are excluded as income.

{Effective 6/9/2003}

3-002.03A6 Reimbursements: Reimbursements for past or future expenses are excluded if all the following conditions are met:

1. The reimbursement must be provided for a specifically identified expense other than normal living expenses. When a reimbursement covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses such as rent or mortgage payments, personal clothing, or food eaten at home.
2. The reimbursement must be used for the intended purpose.
3. The reimbursement must not represent a gain or benefit to the household.

The amount by which a reimbursement exceeds the actual expense is counted as unearned income. Reimbursements are not considered to exceed the expense unless the provider or household indicates the amount is excessive.

3-002.03A6a Examples of Excludable Reimbursements: Excludable reimbursements include but are not limited to reimbursements for -

1. Out-of-pocket expenses incurred by volunteers in the course of their work;
2. Medical expenses;
3. Dependent care expenses including reimbursements received by households to pay for services provided by Title XX of the Social Security Act, and child care payments under the Development Block Grant Act of 1990;
4. Job or training-related expenses such as travel (including travel expenses incurred by migrant workers), per diem, uniforms, and transportation to and from the job or training site. Flat allowances for on-the-job or training-related expenses are also excluded, but this type of expense is not deductible under any other circumstances.
5. Utility payments made directly to the household or to the utility company by the Department of Housing and Urban Development (HUD) and Farmers Home Administration (FmHA).
6. Out-of-pocket expenses for one-time costs of weatherization or repair or replacement of unsafe or inoperative heating devices.
7. FEMA reimbursements for temporary disaster housing or ‘out of ordinary’ expenses are excluded. Any excess funds retained by the household are countable unearned income.

{Effective 1/3/2005}

3-002.03A7 Third-Party Maintenance Payments: Monies received for the care and maintenance of a third-party beneficiary who is not a household member are excluded. If a single payment is intended to cover both household and nonhousehold members, the worker excludes any identifiable portion of the payment intended and used for the care of the nonhousehold member(s). If that portion cannot be identified, the worker:

1. Prorates the payment among intended beneficiaries; and
2. Excludes the lesser of the following:
   a. The nonhousehold member's pro rata share; or
   b. The amount actually used for the non-household member's care and maintenance.

3-002.03A8 Income of Children: The earned income of a child age 16 or 17 who is not attending school half-time must be counted. The earned income of a child who is age 17 or younger and attending elementary or secondary school at least half-time is excluded. The child must live with his/her biological, adoptive or stepparent(s), or under the parental control of a non-parent adult household member to have his/her earned income excluded. The earned income of a child reaching age 18 is counted in the SNAP budget the month following his/her 18th birthday. Unearned income is counted regardless of age.

Note: A student who attends classes at least half-time to obtain a GED or attends home-school classes at least half-time is eligible for the income exclusion when the classes are recognized, operated, or supervised by the student's state or local school district.

This exclusion continues to apply during temporary interruptions in school (such as semester or vacation breaks) if it is the child's intent to resume enrollment following the break. If a child's earnings or the amount of work the child performed cannot be identified separately from other household members' earnings or work, the worker prorates the total earnings among the working members and excludes the child's pro rata share.

3-002.03A9 Nonrecurring Lump Sum Payments: Nonrecurring lump sum payments are excluded. These include but are not limited to:

1. Tax refunds, rebates, EIC, or credits;
2. Retroactive lump sum Social Security;
3. Insurance settlements;
4. Refunds of security deposits on rental property or utilities; and
5. Retroactive ADC and AABD payments.

3-002.03A10 Income Withheld for Repayment: Any portion of earned or unearned income which is withheld to repay the source of the income for a prior overpayment is excluded, as long as the overpayment was not excludable. However, money withheld from assistance payments is counted as income if the recoupment is a result of the household's being found guilty of fraud per the assistance program standards.

3-002.03A11 Transferred Child Support Payments: Child support payments which meet the following conditions are excluded:

1. The payments are received by ADC recipients; and
2. The payments are transferred to the IV-D agency to maintain eligibility.

3-002.03A12 Income Excluded by Federal Statutes: The following types of income are excluded by federal statute:

1. Income derived from land held in trust for certain Indian tribes;
2. Payments from designated Energy Assistance Programs;
3. Payments received under the Americorps Program;
4. Payments received from the youth incentive entitlement pilot projects and the youth community conservation and improvement projects of 1978, but not payments from the Adult Conservation Corps (P.L. 95-524);
5. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540);
6. Payments received from the Workforce Investment Act (WIA) to:
   a. Native Americans, veterans, and migrant households under Section 181(a)(2);
   b. Youth Build, Summer Youth Programs;
   c. Payments to dependents age 18 years or younger under Title I;
7. Payments received under the Alaska Native Claims Act including those to Nana Indians;
8. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (P.L. 95-433);
9. Payments to the Passamaquoddy Tribe and Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980 (P.L. 96-420, Section 5);
10. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970;
11. Payments of relocation assistance to members of the Navajo and Hopi tribes;
12. Payments received under Title V of the Older Americans Act Amendments of 1987 including projects involving Experience Works, American Association of Retired Persons (AARP), U.S. Department of Agriculture Forest Service, and Area Aging Agencies (AAA);
13. Per capita payments to Indian tribal members up to $2,000 per person per payment. Gambling operation payments are not considered per capita payments. For more information see 475-000-303, “Clarification Regarding Indian Per Capita Payments and Gambling Operation Payments.”

14. The portion of a military retirement payment which goes to an ex-spouse under a divorce decree property settlement;
15. Mandatory deductions from military pay for educational purposes while the individual is enlisted;
16. Payments made under the Disaster Relief and Emergency Assistance Amendments of 1988;
17. Payments to U. S. citizens of Japanese ancestry and resident Japanese aliens or their survivors and payments to eligible Aleuts per P.L. 100-383, Wartime Relocation of Civilians;
18. Payments to individuals due to their status as victims of Nazi persecution;
19. Per capita payments made under P.L. 98-124, distributions to the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana;
20. Per capita payments made to Chippewas of Mississippi under P.L. 99-377, August 8, 1986, and the payments made to the Red Lake Band of Chippewa Indians under P.L. 98-123;
21. Payments made from the Agent Orange Settlement Fund or any fund established by the settlement of the Agent Orange liability litigation under Public Law 101-201 and P.L. 101-239;
    Note: P.L. 102-4, Agent Orange Act of 1991, authorized veteran's benefits to some veterans with service connected disabilities resulting from exposure to agent orange. These VA payments are not excluded by law.
22. Veteran's Administration annual adjustment in disability pension;
23. Earned Income Tax Credits (EITC) and Advanced Earned Income Tax Credits (AEITC);
24. Assistance to children under PL 89-642, Section 11(b) of the Child Nutrition Act of 1966;
25. SNAP benefits under WIC demonstration projects, exchanged for food at farmers' markets under P.L. 100-435, Section 501;
26. Payments to specific Indian tribes (see 475-000-313. Information about the applicable Indian tribes is located at 475-000-313;
27. Payments under P.L. 98-500, the Old Age Assistance Claims Settlement Act except for per capita shares in excess of $2,000;
28. Payments under P.L. 101-426, Section 6(h)(2), the Radiation Exposure Compensation Act of 1990;
29. Payments under P.L. 104-204, dated September 26, 1996, to any child of a Vietnam veteran who was born with spina bifida. The term "child" means a biological child of any age or marital status who was conceived after the date on which the veteran first served in the Republic of Vietnam during the Vietnam era;
30. Any income, regardless of the source, that is deposited in a PASS account;
31. Payments received under Title II (Retired Senior Volunteer Program {RSVP}, Foster Grandparents, and Senior Companion Program) and Title III (SCORE and ACE) of the Domestic Volunteer Services Act of 1973 (P.L. 93-113, as amended). Payments under Title I, including VISTA, University Year for Action, and the Urban Crime Prevention Program to volunteers are excluded for those persons receiving SNAP_or public assistance at the time they joined the Title I program;

Exception: Households which were receiving an income exclusion for a VISTA or other Title I subsistence allowance at the time of conversion to the Food Stamp Act of 1977 continue to receive an income exclusion for VISTA for the length of their volunteer contract in effect at the time of conversion.

32. Subsidy received by household through Medicare Drug Discount Program under the Medicare Prescription Drug Improvement and Modernization Act. Temporary interruptions in SNAP participation must not alter the exclusion once an initial determination has been made;
33. Any education loans on which payment is deferred, grants, scholarships, fellowships, and veteran's educational benefits and similar assistance;
34. Rent or mortgage payments made by HUD or a state or local housing authority and payments for the purpose of providing energy assistance including utility reimbursements by HUD or FmHA.;
35. Funds in HUD Family Self-Sufficiency Program (FSSP) escrow accounts; and
36. Combat related military pay if the additional pay is the result of deployment to or service in a combat zone and was not received immediately prior to serving in a combat zone. This is authorized under U.S. Code, Title37, Section 5.

3-002.03A13 Charitable Contributions: Needs-based cash donations from private non-profit charitable organizations are excluded as income if they do not exceed $300 per federal fiscal quarter. Vendor payments made by private non-profit charitable organizations are excluded.

3-002.03B Anticipating Income: Anticipating income is the process of projecting the income that the local office is reasonably certain a household will receive each month during the certification period. All forms of non-excluded income must be prospectively anticipated at the time of application and at recertification according to the policies given in the Nebraska Program Policy Manual. This makes it possible for the worker to determine eligibility and benefit level based on monthly income. If the amount of income or when it will be received is uncertain, the income must not be counted in the SNAP budget. However, any portion of the income that can be anticipated with reasonable certainty and verified must be counted.

{Effective 6/28/11}

3-002.03B1 Application Month Income: When the worker is computing application month income and the actual income for that month is known, the worker must use the following procedures:

1. If the income is for less than a full month, actual application month income is used.
2. If the income is for a full month and paid either weekly or bi-weekly, the income is converted to a monthly amount.
3. If the income is for a full month and is not paid weekly or biweekly, actual income is used.

{Effective 1/3/2005}

3-002.03B2 Income in the Month Received: Income anticipated during the certification period is considered only in the month it is expected to be received. Income counted in the budget is never counted as a resource for the same month.

Wages held back at the employee's request are considered income in the month the wages would otherwise have been received. Wages held back by the employer as a general practice, even if in violation of law, are not counted as income unless:

1. The household anticipates that it will ask for and receive an advance; or
2. The household anticipates that it will receive income from wages that were previously held by the employer and therefore not counted as income.

Advances on income are counted in the month received only when they can be reasonably anticipated.

Anticipated income received monthly or twice a month must not be varied solely because mailing cycles cause more than the normal number of payments in a one month period. Examples of this type of income are PA benefits, SSI benefits, RSDI payments or an employer issuing checks early because the normal payday falls on a weekend or holiday.

{Effective 1/3/2005}

3-002.03B3 Using Past Income

3-002.03B3a Past 30 Days as an Indicator: The Department will use income from any consecutive 30-day period within three months before the application date to project future income unless changes have occurred or are anticipated.

For households with seasonal income, the worker must compare the income of the most recent season to the certification period. In the case of a substantial change in the household's business, income is determined prospectively. This method is not used for migrant and seasonal farm workers.

3-002.03B3b Past 30 Days Not Reflective: When income from any consecutive 30-day period within three months before the application date does not reflect household circumstances, the Department will use the employer's verified best estimate to project future income. This criteria applies when income is from a new source, or the pay rate or the number of hours worked per week has increased or decreased.

3-002.03B3c Using More Than 30 Days: If income fluctuates to the extent that the past 30 days does not provide a reasonable basis of anticipation of future income, the worker may use more than 30 days' income to project the household's monthly income. Fluctuating income is that which varies from month to month due to:

1. Work hours fluctuating;
2. Variances in the amount of work when paid other than hourly; or
3. The irregular nature of the income.

Note: Income which varies from pay period to pay period because of an increase or decrease in the pay rate or because the number of hours have permanently changed would not be considered fluctuating income.

3-002.03B3d Income Paid Monthly or Semi-Monthly: If paid monthly or semi-monthly and the past 30 days of income are not representative because of fluctuating income, the worker may use a period of longer than 30 days to compute the monthly income amount. If monthly income is used, a minimum of two recent months must be used to arrive at the monthly income. The months used must be representative of the anticipated fluctuation.

3-002.03C Income Averaging:

3-002.03C1 Income Received in Less than One Year: Some households receive their annual income in a period of less than one year by contract or through self-employment. The worker averages the income for these households over a 12-month period, provided the contract income is not received on an hourly or piecework basis. Self-employment income or contract income that is not received on an hourly or piecework basis and that is intended to meet the household's needs for only part of the year must be averaged over the period of time the income is intended to cover. Examples of households of this type are those containing school employees, share croppers, and farmers. These averaging provisions do not apply to:

1. Households whose income is received on an hourly or piece work basis; and
2. Migrant or seasonal farm workers.

{Effective 11/19/97}

3-002.03D Verification of Income: Before initial certification, the worker verifies gross non-excluded income. At the time of recertification, the worker verifies earned income. Additionally, s/he verifies unearned income if the amount or the source has changed. However, under certain conditions, the worker determines an income amount based on the best available information. These conditions are as follows:

1. All attempts to verify the income have failed because the source has failed to cooperate with the household and the worker; and
2. No other source of verification is available.

3-002.04 Policies for Self-Employment Income: The following policies apply to all households receiving self-employment income including households that own and operate a commercial boarding house.

3-002.04A Annualizing Self-Employment Income: Annualizing income is averaging income over a 12-month period. Self-employment income which represents a household's annual income must be annualized when:

1. The income is received within a short period of time during the 12 months; or
2. The income is received on a monthly basis but represents a household's annual support.

Self-employment income is annualized even if the household receives additional income from sources other than self-employment. Self-employment income which is intended to meet the household's needs for only part of the year must be averaged over the period of time it is intended to cover.

3-002.04A1 Substantial Change in Circumstances: The worker computes self-employment income based on anticipated earnings when:

1. The household has experienced a substantial increase or decrease in business; and
2. The averaged amount does not reflect the household's actual monthly income.

3-002.04A2 New Enterprises: If a household's self-employment enterprise has been in existence for less than one year, the income from that enterprise must be averaged over the period of operation. The monthly income must be projected for the coming year.

3-002.04B Determining Self-Employment Income:

3-002.04B1 Averaged Self-Employment Income: The worker determines the gross income, including capital gains, from self-employment for each source of self-employment of the household. The worker then applies a standard deduction of 49% to the gross income for each source of self-employment for which the household reports at least one allowable expense. If the household reports no allowable expense(s) from a source of self-employment income, the worker uses total gross income from that source to calculate SNAP eligibility.

3-002.04B1a Special Procedures for Farming Self-Employment Income: If the costs of producing self-employment farm income exceed the gross farm income, the losses are offset against other countable income. To qualify for this offset, the person must receive or anticipate receiving annual gross proceeds of $1,000 or more from the farming enterprise.

3-002.04B2 Capital Gains: The full amount of any capital gain is counted as income for SNAP purposes. The proceeds from the sale of capital goods or equipment are computed in the same way as a capital gain is computed 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 worker counts the full amount of the capital gain as income in computing the SNAP budget.

3-002.04B3 Allowable Self-Employment Expenses: Allowable self-employment expenses 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; taxes paid on income-producing property; and reimbursement from the USDA Child and Adult Care Food Program.

3-002.04B4 Expenses Not Allowed: The worker does not allow the following items as self-employment expense(s):

1. Net losses from previous tax years;
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.
3. Depreciation; and
4. Depletion.

3-002.04C Income from Boarders: These provisions apply to households that receive income from boarders but do not operate a commercial boarding house.

3-002.04C1 Payments: Payments from boarders must be treated as self-employment income. Income from boarders includes all direct payments to the household for room and meals, including contributions to the household's shelter expenses. However, shelter expenses paid directly by boarders to someone outside the household are not counted as income to the household.

3-002.04C2 Cost of Doing Business: The cost of doing business equals either of the following amounts provided that the amount allowed as a cost of business does not exceed the payment the household receives from the boarder for lodging and meals:

1. The value of the maximum allotment for a household size equal to the number of boarders; or
2. The actual documented cost of providing room and meals, if this cost exceeds the amount of item 1 above. Only separate and identifiable costs of providing room and meals to boarders are included as actual documented costs.

3-002.05 Treatment of Resources, Income and Deductions of Ineligible Students or Other Non-Household Members: This section applies to ineligible students and other non- household members.

The resources of ineligible students or other non-household members are excluded. The income of ineligible students or other non-household members is excluded unless the ineligible student or other non-household member makes a cash contribution to the SNAP household. These cash contributions or payments are considered countable unearned income to the household. Vendor payments by the ineligible student or other non-household member on behalf of the household are excluded.

If a household shares deductible expenses with an ineligible student or non-household member, the ineligible student's or non-household member's prorated share is not deductible as a household expense.

{Effective 6/28/11}

3-002.05A Combined Wage: When the earned income of one or more household members and the earned income of a non-household member are combined into one wage, the income of the household members is determined as follows:

1. If the household's share can be identified, the worker counts that portion due to the household as earned income.
2. If the household's share cannot be identified, the worker prorates the earned income among all those who earned it.

3-002.06 Treatment of Resources, Income and Deductions of Household Members Ineligible Due to Failure to Provide an SSN, Ineligible ABAWD , and Ineligible Alien Status: This section describes procedures for determining the eligibility of remaining household members when a household member(s) is ineligible due to:

1. Failure to provide an SSN:
2. Noncompliance with ABAWD work requirements after three months of time-limited benefits;
3. Alien status; or
4. FDPIR-IPV.

All resources of an ineligible household member are counted to the remaining household members. A pro rata share of the income of the ineligible individual must be counted as income to the remaining household members. The pro rata share is calculated by dividing the countable income evenly among the household members, including the ineligible member. All but the ineligible member's share is counted as income for the remaining household members.

When considering deductible expenses for a household with an ineligible household member:

1. The earned income deduction applies only to the prorated income which is attributed to the household. The earned income deduction is subtracted from the ineligible member's earned income and divided evenly among all household members including the ineligible member(s).

2. Those portions of the household's allowable expenses for dependent care, child support and shelter costs (not utilities) which are either paid by or billed to the ineligible member must be divided evenly among the household members, including the ineligible member.
3. All but the ineligible member's share is counted as a deductible expense for the remaining household members.

3-002.06A Eligibility and Benefit Level: The ineligible member must not be included in determining the household's size for the purpose of assigning a benefit level to the household, comparing the household's monthly income to the income eligibility standards, or comparing the household's resources with the resource limits. The income and deductions are prorated between the ineligible household member and the remaining eligible household members.

{Effective 1/3/2005}

3-002.06B Reduction or Termination of Benefits Within the Certification Period: When an individual becomes an ineligible household member during the household's certification period, the ineligible household member is removed when determining the benefit level and allotment for the remaining members of the household.

3-002.07 Treatment of Resources, Income and Deductions of Disqualified Household Members:

This section describes procedures for determining the eligibility of remaining household members when a household member has been disqualified for:

1. A work requirement violation;
2. An intentional program violation;
3. Conviction for the use of SNAP benefits in the sale of a controlled substance;
4. Conviction for trafficking of SNAP benefits of $500 or more;
5. Violation and conviction after August 22, 1996, of a drug-related felony involving the sale or distribution of a controlled substance, including the intent to sell or distribute;
6. Fewer than three drug-related felony violations and convictions after August 22, 1996, for the possession or use of a controlled substance and not participating in or not completing an approved substance abuse treatment program after the last conviction;
7. Three or more drug-related felony violations and convictions after August 22, 1996, for the possession or use of a controlled substance;
8. Fleeing from prosecution or custody for a felony, parole, or probation violation;
9. Found guilty by a court or state agency of having made a fraudulent representation of identity or residency to receive SNAP benefits in more than one household for the same month; and
10. Conviction for the use of SNAP benefits in the sale of firearms, ammunition, or explosives.

The resources of the disqualified individual are counted in their entirety to the remaining household members. The earned or unearned income of the disqualified individual is counted in its entirety to the remaining eligible household members. The household's entire allowable earned income, standard, medical, dependent care, child support, and excess shelter deductions continue to apply to the remaining eligible household members.

{Effective 07/17/2013}

3-002.07A Eligibility and Benefit Level: The disqualified member must not be included in determining the household's size for the purpose of assigning a benefit level to the household, comparing the household's monthly income with the income eligibility standards, or comparing the household's resources with the resource limits or determining the household's standard deduction.

{Effective 1/3/2005}

3-002.07B Reduction or Termination of Benefits Within the Certification Period: When an individual is disqualified during the household's certification period, the worker determines the eligibility or ineligibility of the remaining household members.

{Effective 9/4/2002}

3-002.07B1 Intentional Program Violation Notice to the Household: Adequate notice only is required to reduce the household's allotment. The household may request a fair hearing to contest the reduction or termination of benefits unless the household has already had a fair hearing on the claim amount as a result of consolidation of the disqualification hearing with the fair hearing.

{Effective 9/4/2002}

3-002.08 Treatment of Income of Strikers: When determining eligibility for households containing a striker, the worker:

1. Compares the striker's income as it stood the day before the strike to the striker's current income; and
2. Adds the higher of the two amounts to the current income of non-striking members during the month of application.

The worker determines eligibility by considering the day before the strike as the day of application and assuming the strike did not occur.

3-002.09 Deeming of Immigrant Sponsor's Resources and Income: People lawfully admitted to the United States as actual or prospective permanent residents or persons with the right to eventually obtain citizenship may be immigrants. For immigrants who are sponsored by individuals deeming is the process of counting a sponsor's income and resources as accessible to an immigrant. Effective December 19, 1997, the income and resources of an individual sponsor are counted when determining the eligibility of an immigrant. The individual sponsor signs an affidavit of support as required by the Immigration and Nationality Act. The resources and income of the sponsor's spouse are used in the deeming process only if the spouse has also signed the affidavit of support. The sponsor's resources and income are considered available until the immigrant:

1. Becomes a U.S. citizen; or
2. Obtains 40 qualifying work quarters of coverage as defined in Title II of the Social Security Act and the immigrant did not receive any federal means-tested public benefit during a countable quarter after December 31, 1996.

Qualified work quarters earned after December 31, 1996, cannot be counted if the noncitizen, parent, or spouse received certain federal means-tested public benefits during the quarter the earnings were credited. Individuals who believe they should be credited with more quarters of work may request that SSA investigate their work history to determine if more quarters can be credited. The applicant may participate pending the results of the investigation for up to six months from the date of SSA's original finding of insufficient quarters.

{Effective 1/3/2005}

3-002.09A Report of Sponsor's Changes: During the certification period, the immigrant is not required to report changes regarding the sponsor unless the sponsor:

1. Changes employment;
2. Loses employment; or
3. Dies.

{Effective 6/9/2003}

3-002.09B Exempt from Deeming: Individuals are exempt from deeming requirements if they are:

1. Not required to have a sponsor under the Immigration and Nationality Act, such as refugees, parolees, asylees, Cuban or Haitian entrants, Amerasians, or deportees;
2. Sponsored by an organization or employer;
3. Participating in the sponsor's SNAP household;
4. Children age 17 or younger;
5. Indigent aliens;
6. Battered spouse or child; or
7. Ineligible and disqualified household members.

3-002.09C Battered Immigrants: Deeming is exempted for 12 months if:

1. The immigrant and/or his/her child were battered; and
2. The battery was committed by a spouse, a parent, or a member of the spouse's or parent's family while they are residing together.

The battered alien, child, or parent must no longer reside in the same household as the abuser.

3-002.09D Indigent Immigrants: If an immigrant is unable to obtain food and shelter, taking into account the immigrant's own income plus any cash, food, housing, or other assistance provided by other individuals including the sponsor(s), the amount deemed must be the amount actually provided to the immigrant by the sponsor.

The worker must determine the amount of income and other assistance provided in the month of application. This income is the sum of the eligible sponsored alien household's own income, the cash contributions of the sponsors and others, and the value of any in-kind assistance of the sponsor or others.

If the alien is indigent, the amount that must be deemed will be the amount actually provided for a period beginning on the date of determination and ending 12 months after the determination date. Each instance of indigence is renewable for an additional 12-month period.

{Effective 6/9/2003}

3-002.09D1 Reporting Indigent Immigrants: When an immigrant is determined indigent, Food Programs must notify the U.S. Attorney General of each determination, including the names of the sponsor and the sponsored immigrant involved.

3-002.09E Immigrant Responsibilities: As an eligibility requirement, an immigrant is responsible for:

1. Obtaining the necessary cooperation from the sponsor; and
2. Providing income and resource information/verification from the sponsor.

If an immigrant does not provide the necessary information/verification, s/he is not eligible for assistance. If the sponsor or required documents related to the sponsor cannot be located, the eligibility of any remaining household members is determined by including the income and resources of the ineligible immigrant and excluding the deemed income and resources of the sponsor.

3-003 Eligibility Computations: After the worker has established the household's resource eligibility and determined how to treat the household's income, the net monthly SNAP income is determined for households which either passed the gross income test or who are exempt from meeting the gross income standards. This section discusses the process of finding the net monthly SNAP income by outlining deductions, and applying monthly income standards.

3-003.01 Policies for Handling Deductions

3-003.01A Deductions: Deductions are taken after the worker has determined how to treat the household's earned and unearned income.

3-003.01A1 Items Not Allowed: The following expenses must not be allowed as deductions:

1. An expense covered by an excluded reimbursement;
2. An expense is not deductible if:
   a. The expense is for a service provided by a household member; or
   b. The household does not make a money payment for the service.

3-003.01A2 Expenses as Billed: A deduction is allowed only in the month the expense is billed regardless of when the household intends to pay the bill. Amounts carried forward from past billing periods are not deductible with the exception of medical expenses. A particular expense may be deducted only once.

3-003.01A3 Averaging Expenses: For fluctuating expenses, the household chooses one of the following methods to determine the monthly deduction:

1. Expenses which are billed less often than monthly may be averaged over the period the expense is intended to cover;
2. "One time only" expenses may be averaged over the entire certification period in which they are billed; or
3. An expense may be deducted entirely in the month in which it is billed.

The worker documents in the case file that the client was offered the choice of methods of averaging.

3-003.01A4 Anticipating Expenses: The worker computes a household's expenses based on the expenses the household expects to be billed for during the certification period. The anticipation of expenses must be based on the most recent month's bills unless the household is reasonably certain a change will occur.

3-003.01A5 Verification of Deductions: If the household claims an expense other than shelter or utilities, it must be verified before it can be allowed as a deduction. The client's declaration of shelter and utilities is accepted. If the household claims an expense but does not provide verification, the household may be certified; however, the deduction will not be allowed.

{Effective 6/28/11}

3-003.01B Earned Income Deduction: A percentage of a household's gross earned income must be deducted. This deduction is calculated by the automated system.

Households in the Simplified Reporting category are not allowed the earned income deduction when an overissuance (IHE or IPV) was caused by the household's failure to meet a reporting requirement for a new source or change in earned income timely.

3-003.01C Standard Deduction: Each household must be allowed a monthly standard deduction. This deduction is applied against the household's income by the automated system.

3-003.01D Medical Expense Deduction: The medical expense deduction is allowed only for the eligible individuals in household~~s~~ with one or more elderly or disabled members. Only the amount of the expense incurred or reasonably anticipated by the elderly or disabled household member(s) may be considered.

To qualify for the deduction, the medical expenses must be:

1. Verified as non-reimbursable; and
2. In excess of the monthly threshold amount.

Note: This deductible amount is applied to the household's budget monthly by the automated system and not to each member who qualifies for the deduction.

3-003.01D1 SSI Eligibility for Medical Expense Deduction: Persons receiving the following payments are considered eligible for the medical expense deduction:

1. SSI presumptive disability payments - Regular benefits for a three-month period are paid to persons most likely to meet SSI disability criteria. These persons are considered SSI-eligible by the Social Security Administration (SSA) and receive a federal SSI check for the amount of entitlement.
2. SSI Emergency advance payments - A single $100 payment is made to applicants who appear to meet the SSI disability criteria and who are considered in need of immediate assistance. These persons are considered SSI-eligible by SSA.

Note: Spouses or other persons receiving benefits as a dependent of an SSI or disability recipient are not eligible to receive this deduction.

3-003.01D2 Allowable Medical Expenses: Any nonreimbursable costs over the monthly amount for allowable items are deducted from the household's income if the cost was incurred by an eligible household member. These items are:

1. Medical care including psychotherapy and rehabilitative costs provided by a licensed medical practitioner;
2. Dental care provided by a licensed medical practitioner;
3. Hospitalization or nursing home care which is paid on behalf of a person who was a household member immediately before entering the hospital or nursing home;
4. Health and hospitalization insurance premiums which cover medical costs;
5. Ambulance insurance premiums;

6. Medicare premiums and any cost sharing (copay) or spenddown expenses incurred by a Medicaid recipient;
7. Animals providing service to disabled persons such as seeing eye dogs, their veterinary fees, food, and other maintenance costs;
8. Prosthetic devices;
9. Dentures;
10. Hearing aids;
11. Transportation to obtain medical treatment, services, or prescriptions (to be deductible, costs for this transportation must be reasonable);
12. The cost of a medic-alert system (the additional expense above the basic telephone rate);
13. The principal (but not the interest) on a loan to cover medical expenses;
14. Corrective footwear, wheelchairs, and other items prescribed by a licensed medical practitioner;
15. Drugs (including over-the-counter) prescribed by a licensed medical practitioner;
16. Eyeglasses prescribed by a physician skilled in eye diseases or by an optometrist;
17. Attendant, housekeeper, or home health aide if the care is needed because of age, infirmity, or illness. When the household supplies a majority (51 percent) of an attendant's meals, the maximum allowable one-person allotment is deducted in addition to the attendant's wages.
18. Adult day care expenses for the elderly or disabled;
19. Telephone amplifiers, warning signals for handicapped, and costs of typewriter equipment for the deaf, etc; and
20. Annual enrollment fee for Medicare prescription drug card.

Note: If a vendor payment for any allowable medical expense is excluded as income, this expense must not be allowed as a medical deduction.

{Effective 1/3/2005}

3-003.01D2a Non-Allowable Medical Costs: The following medical costs are not allowed:

1. Premiums for life or dismemberment insurance;
2. Premiums for income producing policies;
3. Special diets;
4. Interest on a loan to pay medical expenses;
5. The basic telephone rate for a medic-alert system;
6. Overdue or past due expenses;
7. Medical expenses previously deducted in the SNAP budget;
8. Prescriptions received at no cost through the prescription drug discount program; and
9. Automobile medical liability insurance.

{Effective 1/3/2005}

3-003.01D3 "One Time Only" Medical Expenses: A "one time only" medical expense is the cost of a medical occurrence which is not ongoing or routine.

Example: A broken leg is a one-time occurrence, but high blood pressure is an ongoing, routine medical occurrence for anyone who has it. The cost of medication for high blood pressure is therefore not a one time only medical expense.

The following procedures apply solely to one time only medical expenses:

1. If a household reports a one time only medical expense at certification or recertification, the worker must offer the household the choice of having the expense:
   a. Budgeted as a lump sum; or
   b. Averaged and budgeted over the certification period.
2. If a household reports they anticipate a medical expense during the certification period and at the time of certification they can provide adequate verification of the anticipated expense, the expense can be prorated over the entire certification period.
3. If a household reports a one time only medical expense during the certification period, the worker must offer the household the choice of having the expense:
   a. Budgeted as a lump sum; or
   b. Averaged and budgeted over the remaining months in the certification period; and
4. If a household reports they anticipate a medical expense during the certification period but are unable to provide the verification at the time of certification, the worker must inform the household that the expense will be allowed if the verification is provided during the certification period and the expense will be prorated over the balance of the certification period.
5. If a one-time medical expense was averaged over the certification period and the certification period is extended, the one-time medical expense must be recalculated. The medical expense must be averaged over the months in the extended certification period.

<u>3-003.01D4 Verification of Medical Expenses</u>:

1. Before initial certification, the worker must verify:
   a. The amount of medical expenses, including the amount of reimbursement if any; and
   b. The type of medical expense (allowable or nonallowable).
2. At the time of recertification the worker must verify medical expenses claimed by the household if changes have occurred since last verified.

<u>3-003.01E Dependent Care Cost Deduction</u>: Each household is allowed to deduct the cost of care for a child or other dependent, provided the care meets one of the needs for dependent care listed below. The dependent care deduction for children can be allowed through age 15. The allowable amount entered by the worker on the automated system up to the limit will be automatically deducted. The need for the dependent care must meet one of the needs listed in 475 NAC 3-003.01E1. If dependent care is billed weekly or bi-weekly, the cost should be converted to a monthly amount for the dependent care deduction.

{Effective 6/28/11}

3-003.01E1 Need for Dependent Care: The deduction for dependent care costs must be allowed when the care is necessary for a household member to do any of the following:

1. Accept or continue employment;
2. Seek employment;
3. Attend training; or
4. Pursue education which is preparatory to employment.

When attendant care costs qualify as a deduction under both medical expenses and dependent care costs, the worker must treat the cost as a medical expense.

3-003.01E2 Verification of Dependent Care Costs: The worker must verify any dependent care costs claimed by the household:

1. If questionable; or
2. If allowing the expense could potentially result in a deduction.

Subsequent verification is not required unless the household reports a change in the provider or in the amount of the deduction or unless the information is questionable.

3-003.01E3 (Reserved)

3-003.01F Child Support Deductions: Child support paid by a household member is an allowable expense when it meets all of the following conditions:

1. Child support is paid to or for a nonhousehold member;
2. The household member has a legal obligation to pay child support; and
3. The amount of child support paid is verified.

The household has the primary responsibility to verify all child support payments. If the noncustodial parent makes a payment to a third party in accordance with the court order, these payments are allowable as child support expenses.

{Effective 4/23/96}

3-003.01F1 Allowable Child Support Costs: In computing the child support deduction, the worker must consider the following provided the expense is court-ordered and verified as paid:

1. Payments to the court;
2. Payments to the custodial parent in accordance with a court order;
3. Payments to the custodial parent's mortgage company or landlord;
4. Payments to the custodial parent's utility company;
5. Payments to obtain health insurance for the child(ren); and/or
6. Payments for child care per court order.

Note: Alimony or spousal payments made to or for a nonhousehold member are not an allowable child support deduction.

{Effective 4/23/96}

3-003.01F2 Arrearages: Households which have a three-month record of current child support payments and are also paying arrearages will have the arrearage amount also included as part of the child support deduction. The three-month record of payment is the current three-month period.

{Effective 4/23/96}

3-003.01F3 Verification of Child Support Costs: The household has the responsibility to provide verification of:

1. The legal obligation;
2. The obligated amount; and
3. The amount paid.

The same document cannot be used to verify the household's legal obligation to pay child support and to verify the household's actual monthly child support payments.

The amount of legally obligated child support a household member pays to a nonhousehold member must be verified at initial certification and at each recertification. If the child support payments are made to the Clerk of the District Court (CDC), the worker is responsible for obtaining verification of the household's child support payments. The Department must give the household an opportunity to resolve any discrepancy between the household verification and the CDC records.

{Effective 4/23/96}

3-003.01F4 Budgeting the Child Support Payment: The amount of the child support deduction is determined by the amount of child support paid by the household. Child support must actually be paid before it can be allowed as a deduction.

If a household has an irregular pattern of paying child support, the worker may use the past payment history in determining the monthly amount used as a child support deduction. If a household has no record of paying child support or a payment record of less than three months, the worker will budget the child support deduction using the best information available.

{Effective 11/19/97}

3-003.01G Shelter Deductions: Each household is allowed to deduct shelter expenses in excess of 50 percent of the household's net income (after allowable deductions). This is automatically calculated by the automated system. The following procedures apply:

1. The household's excess shelter deduction cannot exceed the maximum allowable amount for households with no elderly or disabled members.
2. If the household contains a member who is elderly or disabled the household is entitled to an unlimited excess shelter deduction.

3-003.01G1 Allowable Shelter Costs: The following shelter costs are allowable deductible expenses:

1. Rent, mortgage payments (whether or not the household receives a GA payment for shelter);
2. Property taxes;
3. Homeowner's insurance;
4. Special assessments;
5. Home repair costs associated with substantial damage or destruction from a natural disaster;
6. Temporarily unoccupied homes: Costs of a home temporarily not occupied by the household because of employment or training away from the home, illness, or abandonment caused by a natural disaster or casualty loss are allowed only if all of the following conditions are met:
   a. The household intends to return to the home;
   b. The home is not leased or rented during the household's absence;
   c. The current occupants, if any, are not claiming shelter costs for this home for SNAP purposes; and
   d. The shelter costs are verified; and
7. Utility allowances.

3-003.01G1a Computing the Shelter Deduction: In computing the shelter deduction, the worker considers the following a deductible expense when declared:

1. Continuing charges for the shelter occupied by the household, including rent payments, condominium fees, mortgage payments and other continuing charges leading to the ownership of the shelter:
   a. Payments on second mortgages and home equity loans are allowable shelter costs regardless of how the money was used. If a second mortgage is obtained for medical expenses, repayment is treated as a shelter expense and not as a medical expense;
   b. If a household moves in the middle of the month and is billed for shelter expenses for two residences, the costs of both residences are allowable for one month;
   c. If HUD is involved in partial payment of rent costs, only the amount the household actually owes to the landlord may be allowed as a shelter expense;
2. Real estate taxes may be allowed as a shelter cost in the month billed or taxes may be prorated forward over the period between billings. The household chooses the option;
3. Homeowner's insurance premiums covering the structure are allowable shelter costs.
   a. If this expense is billed less often than monthly, the household may elect to have the expense used when billed or prorated forward over the period between billings. The household chooses the option.

b. If the household has a homeowner's insurance policy that lists the structure and contents separately on the premium notice, only the amount on the structure and any associated administrative costs may be allowed.
c. If the household has a homeowner's insurance policy that includes insurance both on the structure, contents and additional costs, but the costs cannot be separately identified, the entire premium may be allowed.

4. Only assessments related to the home and lot are allowable. Allowable assessments include special payments for civic improvements such as curb, storm sewer, sidewalks, streetlights, sewage treatment, etc.
5. Down payments;
6. Closing costs as a whole are not allowable. However, if the closing costs can be itemized to identify allowable costs such as taxes and insurance, these costs can be allowed;
7. Repairs and/or improvements in exchange for rent (no income is counted and no deduction for rent is allowed);
8. The costs of repairs as the result of wear and tear, incidental repairs, and improvements;
9. Late fees or charges for being late in making shelter payments. Amounts carried forward from past billing periods are not allowable;
10. Shelter expenses being paid by an insurance company; and
11. Any amount of housing costs (including utilities) covered by HUD or other vendor payments to the landlord.

{Effective 6/28/11}

<u>3-003.01G2 Nonallowable Shelter Costs:</u> The following are not allowable as shelter costs:

1. Costs to insure shelter contents such as furniture and personal belongings;
2. One-time deposits required by landlords;
3. Any cost to repair damage caused by a natural disaster that has been or will be reimbursed by any source;
4. Down Payments;
5. Closing costs as a whole; however, if the closing costs can be itemized to identify allowable costs such as taxes and insurance, these costs can be allowed;
6. Repairs and/or improvements in exchange for rent (no income is counted and no deduction for rent is allowed);
7. Any cost to repair wear and tear, incidental damages, and improvements;
8. Late fees or charges for late shelter payments, and shelter payment amounts carried forward from past billing periods;
9. Shelter expenses being paid by an insurance company; and
10. Any amount of housing costs (including utilities) covered by HUD or other vendor payments to the landlord.

3-003.01G3 Verification of Shelter Costs: At initial certification, the worker accepts the household's declaration of rent, mortgage payments and related expenses such as lot rental, taxes, and insurance unless the information is questionable.

Shelter expenses must be allowed in the month the expense is billed, regardless of when the household intends to pay the expense. When a household occupies a residence that has a monthly rent structure and the rent has been paid in advance, the monthly amount of rent should be taken into consideration each month when the shelter deduction is determined without regard to when it is actually paid.

Exception: Expenses which are billed less often than monthly, i.e., taxes or insurance may be prorated forward over the period between billings.

3-003.01G4 Standard Shelter Deduction for Homeless Individuals: Homeless households which incur or anticipate they will have shelter costs for any portion of the month are eligible for a standard shelter allowance. The standard shelter allowance is updated annually.

Utilities are considered a part of the homeless standard shelter allowance, therefore, the household does not qualify for any utility expenses. Homeless households which have free shelter do not qualify for the standard shelter allowance.

{Effective 10/28/96}

3-003.01G4a Verification of Shelter Costs for Homeless Individuals: If the shelter costs seem questionable and there is no other documentation to support the household's shelter costs, verification may be required, including collateral contacts.

{Effective 6/28/11}

If the household claims to have shelter costs in excess of the homeless shelter standard for homeless individuals, verification must be obtained to allow the higher costs. The same type of verification may be used for homeless households claiming actual costs that are used for homeless people using the standard shelter allowance.

The case file must contain documentation to support the use of the standard shelter allowance or the use of actual shelter costs and the utility allowance if appropriate.

3-003.01G5 Shelter Shared with Others: Shared shelter is when multiple households are living in one physical residence and more than one household is being billed for or is contributing to the shelter costs. This type of shared shelter is for convenience of the households and is not a self-employment enterprise. Any payments made from one household to another for rent/mortgage expenses when they reside together are excluded income as a pass through payment up to the full amount of the rent/mortgage payment billed. If the payment is more than the total rent/mortgage payment billed, the excess payments are considered unearned income to the household receiving the payment. A shelter deduction for each household is allowed based on the amount each household contributes toward the total rent/mortgage billed.

{Effective 1/3/2005}

3-003.01H Utility Allowance: To qualify for a utility allowance, the household must be billed for utilities on a recurring basis apart from the rent or mortgage. Utility allowances are established in accordance with formulas approved by the Food and Nutrition Service and are adjusted annually to reflect changes. The household may receive one of the following:

1. Standard Utility Allowance (SUA);
2. Limited Utility Allowance (LUA); or
3. One Utility Allowance (OUA); or
4. Telephone Standard Allowance.

If an SR reporting household reports a move the entitlement to a utility allowance must be re-determined. When the household does not qualify for the SUA, LUA, OUA, or Telephone Allowance, the household is not eligible for any utility deduction. Actual utility costs cannot be allowed as a deduction.

If a household owns a home that is temporarily unoccupied because of employment or training away from home, illness, or abandonment due to a casualty or natural disaster, the household is entitled to only one utility allowance. If the household is paying different utility types at the two residences, the household has the choice of using the temporarily unoccupied structure or their current residence in the SNAP budget.

3-003.01H1 Standard Utility Allowance (SUA): To qualify for the SUA, the household must be either:

1. Billed for a recurring heating or cooling expense; or
2. Receive or anticipate receipt of a Low Income Home Energy Assistance Program (LIHEAP) payment.

3-003.01H1a Costs Included in the SUA: The SUA includes:

1. Costs of heating and cooking fuel, such as oil, gas (including the rental fee for the propane tank); wood when the primary heating source; or electricity;
2. Costs of air conditioning;
3. Costs of septic tank installation and maintenance;
4. Fees for water;
5. Sewage costs;
6. Garbage and/or trash collection fees;
7. Basic telephone rate; and
8. Initial fees, other than the deposit, charged by the utility provider.

{Effective 1/3/2005}

3-003.01H1b Eligibility for Standard Utility Allowance (SUA): Any household which is billed for a heating or cooling expense on a recurring basis separately and apart from its rent or mortgage is entitled to the SUA. A household must have a recurring heating or cooling cost, or be authorized to receive a LIHEAP payment, or have received one or more LIHEAP payment(s) within the past twelve months.

Eligibility for SUA based on LIHEAP is not affected by a change in household residence after the household has received the LIHEAP payment(s).

Recurring means that the household is billed on a regular basis or the expense is incurred on a regular basis. A household that only incurs cooling costs for two weeks out of the year is not entitled to the SUA. A household that incurs heating or cooling costs several months out of the year is entitled to the SUA. A household which incurs recurring cooling or heating fuel costs on an irregular basis (i.e., propane) but is otherwise eligible to use the SUA may continue to use the SUA between billings. A household only needs to receive LIHEAP payment(s) totaling more than $20.00 within the past twelve months to be eligible for SUA.

Cooling costs that entitle the household to the SUA are those costs related to the operation of an air conditioning system, evaporative cooler, swamp box, or room air conditioner(s). The use of a fan does not qualify the household for the SUA.

Utility costs for the operation of a space heater, electric blanket, heat lamp, a cooking stove, etc., when used as a supplemental heating source do not qualify a household for the SUA. The cost of operating an electric blower for an oil or gas furnace does not qualify a household for the SUA.

3-003.01H2 Limited Utility Allowance (LUA): To qualify for the LUA, the household must be billed on a recurring basis separately and apart from its rent or mortgage for at least two utilities (other than heating or cooling). The LUA covers the basic telephone rate, water, sewer, garbage or trash collection, maintenance of wells and septic tank systems. Gas, propane, and electricity are included when only non-heating or cooling costs are incurred.

{Effective 1/3/2005}

3-003.01H3 One Utility Allowance (OUA): To qualify for the OUA, the household must be billed for no more than one utility. The household cannot be eligible for the OUA and be billed for heating or cooling costs, the telephone or have received a LIHEAP payment. A household which is billed for one utility on a recurring basis separately and apart from its rent or mortgage payment is entitled to the OUA.

3-003.01H4 Telephone Allowance: To qualify for the Telephone Allowance, the household must be billed for the basic service fee for a telephone. The Telephone Allowance may be allowed for a cell phone if there is no house phone available and the cell phone is the household's primary phone.

{Effective 6/9/2003}

3-003.01H5 Utilities Shared with Others: When multiple households are living in one physical residence and more than one household is being billed for or contributing to the utility costs, this agreement is considered shared utilities. This type of shared utilities is for convenience and is not a self-employment enterprise. The SUA, LUA, OUA, or Telephone Allowance is not prorated for households that share utility expenses. These households are eligible for the appropriate utility allowance.

{Effective 6/9/2003}

3-003.01H6 Rental Housing:

3-003.01H6a Private Housing: The following households are also eligible for one of the utility deductions:

1. Private rental housing units which are billed by the landlord on the basis of individual usage;
2. Private rental housing units which are charged a flat fee separately from their rent; and
3. Households receiving direct or indirect energy assistance which is excluded from income consideration (other than NLIEAP) if their expenses exceed the amount of assistance.

{Effective 6/9/2003}

3-003.01H6b Public Housing: The following households are eligible for one of the utility deductions:

1. Public housing units which determine the amount of usage separately for each household through a metering system;
2. Public housing units which have central meters and which charge the household only for excess cost;
3. A household which received or anticipates receiving an NLIEAP payment.

{Effective 6/9/2003}

3-003.01H7 Verification of Utility Expenses: The household must report a utility expense(s) if the Standard Utility Allowance, Limited Utility Allowance, One Utility Allowance, or Telephone Allowance is to be used. The worker need not verify the amount of the expense.

When a Simplified Reporting (SR) household reports a move or a change in the source of utilities during the certification period, the utility allowance must be re-determined based on the current physical address and household circumstances. When a Transitional Benefit Reporting (TBR) household reports a move or change in the source of utilities during the certification period, the information is acted on at the next recertification.

3-003.02 Income Eligibility Standards: Applicant households must meet the income eligibility standards of the Supplemental Nutrition Assistance Program as follows:

1. Households containing a member who is elderly or disabled must meet the net monthly income eligibility standards;
   Gross and Net Income eligibility tables are located at 475-000-201.
2. Households which do not contain an elderly or disabled member must meet both the gross and net monthly income eligibility standards; and
3. Households which are categorically eligible are not required to meet either the gross or net monthly income standard. Eligible one or two-person households whose income exceeds the net income limits are entitled to the minimum monthly benefit listed at 475-000-201 except during an initial month if the benefit prorates to less than the minimum monthly benefit. If the initial month's benefit is prorated to $10, $11, $12, or $13, the prorated amount is issued.
4. Households which are ERP eligible must meet both the ERP gross and net income standards listed at 475-000-202. One or two person households who contain an elderly/disabled member and are over the gross income levels must go through the regular SNAP eligibility criteria. If eligible, the household will then receive the minimum monthly benefit listed at 475-000-201.

   There is no minimum allotment for a one or two person household that is eligible for ERP only. A household may meet the net income level but not be entitled to benefits because their income is above the income level for which SNAP benefits are issued. These households will be denied by the automated system.

{Effective 07/17/2013}

3-003.02A Gross Monthly Income Eligibility Standards: Gross income refers to income after any allowable income exclusions have been applied. Households which do not include an elderly or disabled member and are not categorically eligible must be under the gross monthly income standard for their household size. Households which are determined to be eligible under gross monthly income standards must also pass the net monthly income standards. Households which include one or more elderly or disabled household members are exempt from the gross monthly income standard. If the household income exceeds the gross income limits, the automated system will deny or close the case when a final budget is processed.

{Effective 1/3/2005}

3-003.02B Net Monthly Income Eligibility Standards: Net income refers to income after all deductions have been applied. These standards are used for all households in determining benefit amounts. Eligible one or two-person households which are categorically eligible qualify for a minimum monthly benefit listed at 475-000-201 even if their income exceeds the net monthly income limits.

{Effective 6/28/11}

CHAPTER 4-000 BENEFITS

4-001 Calculating Benefits: Benefit levels for all households are based on each household's net income.

4-001.01 Initial Certification: Benefits are prorated from the application filing date at initial certification. The eligibility determination for a household submitting an initial application must be based on circumstances for the entire application month. A household's benefit level for the initial month will be based on the day of the month on which the household files the application. The application filing date for residents of public institutions who jointly apply for SSI and SNAP benefits is the date of release from the institution. Benefits will be prorated from the application filing date to the end of the month.

4-001.02 Recertification: When the household files a new application prior to the expiration of their certification period, SNAP benefits are not prorated. Unless there has been a break in benefits, households are not entitled to expedited services at recertification. When the household files a new application after the expiration of their certification period, benefits are prorated from the application filing date. Migrants and seasonal farm workers' benefits are not prorated unless there has been a break in service of more than one month.

The local office must determine eligibility and benefit level at the time of recertification by considering the household's circumstances as anticipated for the certification period following the expiration of the current certification period.

4-001.03 Eligibility Following Application Month: The worker must use the same application to deny a case for the initial month and to approve the case for the following month when both of the following conditions are met and actions are completed at the same time:

1. The household is ineligible for the program in the month of application;
2. The household is eligible for the program in the following month.

4-001.04 Retroactive Benefits: Retroactive benefits are issued only when eligibility is determined in the month(s) following application. The local office must issue retroactive benefits to a household for the month of application when all the following conditions are met:

1. The household is eligible for the program in the month of application;
2. The household is entitled to benefits in the month of application; and
3. The worker makes the determination in the month following the month of application that the two steps above apply to the household.

The eligibility determination for the month following the month of application must be made within the time standards for application processing.

4-001.05 Fluctuating Allotments: When there are anticipated changes in the household circumstances, and the household does not choose to use the averaging procedures, the assigned allotment must reflect changes anticipated at the time of certification.

4-001.06 Prorated Allotment: Benefits are prorated for the first month of the initial certification period and for the month following recertification when there has been a break in service and at reinstatement. If the allotment after proration is less than $10, benefits are not issued for that month. The household's prorated benefit level is based on the date entered as the Proration Date on the automated system. The worker must enter or update this date at initial certification, reinstatement, and at recertification when there has been a break in benefits.

{Effective 11/19/97}

4-001.06A Standard Month: As a basis of proration, the automated system will use a 30-day month as a standard for households. Application of households applying on the 31st day of a month will be treated as though the household had applied on the 30th day of the month. In February, households applying on the 28th or 29th day are treated the same as households applying on those dates in any other month.

4-001.06B Expedited Processing: If the household files an initial application on or after the 16th day of the month, the local office shall issue one combined allotment for the month of application and the following month. The household must provide verification of the identity of the head of the household before receiving benefits but may postpone providing some or all of the other verifications for the first two months. The combined allotment must be issued within seven calendar days of the receipt of the application. All required verifications must be provided before the third month's benefits can be issued.

{Effective 10/28/96}

4-001.06C Migrant and Seasonal Farmworker Households: The worker shall not prorate benefits for migrant and seasonal farm workers when the household has participated in the SNAP Program within a month before the date of application or at reinstatement.

4-001.07 Full Months Allotment: A full month's allotment is provided in all months except the initial month, the first month of the recertification period when there has been a break in service, or at reinstatement. Except during a prorated month, all eligible one and two-person households must receive the minimum monthly benefit listed at 475-000-201 unless they are the Expanded Resource Program (ERP), in which case the allotment can be less. A full month's allotment for a household of three or more may be less than the minimum monthly benefit. All eligible households with three or more members who are entitled to benefits of $1, $3, and $5 will have the benefits adjusted up to $2, $4, and $6 respectively.

4-001.08 Failure to Comply (FTC) with Another Program Requirement: The SNAP allotment is reduced 25 percent when:

1. The household is receiving SNAP benefits and an ADC or AABD cash payment at the time of noncompliance with the means-tested program; and
2. The individual within the SNAP household is being sanctioned through a reduction or termination of cash assistance for failure to comply with an ADC or AABD program requirement and there is no corresponding SNAP requirement.

The household, unit, or individual must be included in the cash payment at the time of the sanction. If there is a corresponding SNAP guideline for which the individual is being sanctioned in the ADC or AABD cash assistance program, only the SNAP penalty applies.

The 25 percent allotment reduction is applied the same month the assistance payment is reduced or terminated. If the household member who caused the sanction leaves the household, the benefit reduction is lifted the month following the report the individual is no longer in the SNAP household.

If the ADC grant is reduced, the SNAP failure to comply (FTC) penalty continues until the sanction is lifted. If the sanction is still in effect at the end of one year, the worker must review the case to determine if the FTC should continue.

If the grant is terminated due to an ADC/Employment First sanction, the FTC penalty is applied concurrently with the minimum length of the Employment First sanction.

If the household is no longer eligible for cash assistance due to a reason other than the sanction, the FTC penalty must be lifted.

{Effective 6/28/11}

4-002 Certification Periods: The worker must determine a definite period of time for which a household is eligible to receive benefits. At the expiration of the certification period, the household loses its entitlement to SNAP benefits until it is recertified based on a new application, an interview, and providing the required verifications. Under no circumstances shall the local office continue benefits beyond the end of a certification period without a new determination of eligibility.

4-002.01 Calendar Months: The worker must set the certification period to conform to calendar months. For the initial certification, the worker must use the month of application, if eligible, as the first month in the certification period, even if the household's eligibility is not determined until a later month. For recertification, the certification period will begin the month following the last month of the previous certification period.

4-002.02 Length of Certification Periods: The length of the certification period assigned to a household is determined by the household's reporting category and circumstances. If the household is ineligible for the application month and eligible for the month following the application month, the certification period begins with the first month the household is eligible for SNAP benefits.

{Effective 6/28/11}

4-002.02A RESERVED

4-002.02B Certification Periods for Households in Simplified Reporting (SR): When the household is assigned to SR at initial application or recertification, the household must be given a six month certification period.

4-002.02C Certification Periods for Households in Transitional Benefit Reporting (TBR): Households in the TBR category must receive five months of benefits in that category. The household cannot be assigned to TBR at initial determination of eligibility or at recertification. The household is assigned to the TBR category during an existing certification period from the SR reporting category. When a SR household is assigned to the TBR reporting category, the end date of the current certification period is extended to give the household five months of SNAP benefits in the TBR reporting category.

4-002.02D Certification Periods for Expedited Services: A certification period is assigned based on the household's circumstances and reporting category. The household may provide all verifications or postpone verifications other than the identity of the head of the household and authorized representative, if appropriate, for the first two months' issuance.

When the household has postponed verifications and provides at initial certification, at a minimum, verification of the identity of the head of the household and authorized representative (if appropriate):

1. The Department issues benefits only for the application month when the household applies before the 16th of the month.
2. The Department issues benefits for the application month and the second month when the household applies on or after the 16th of the month.

4-002.02D1 Expedited Services at Initial Certification: When the household applies before the 16th of the month, is entitled to expedited services, and provides, at a minimum, verification of the identity of the head of the household and the authorized representative (if appropriate), the department must, within seven days from the date the application is filed, issue to the household prorated benefits for the month of application.

The household must provide the required verification(s) to receive additional benefit allotments. If the household fails to provide the required verifications by the end of the expedited issuance benefit month, the household's case must be closed. If the household provides the required verification before the end of the following month, the case may be reopened for the remainder of the original certification period without a new application without prorating benefits.

4-002.02D1a Aggregate Allotments at Initial Certification: When the household applies on or after the 16th of the month, is entitled to expedited service, and provides, at a minimum, verification of the identity of the head of the household and the authorized representative if appropriate, the Department must, within seven days from the date the application is filed, issue to the household, combined allotment of the prorated benefits for the month of application and the full second month.

When the household is certified for more than two months and does not provide the required postponed verification(s) by the end of the second month of the certification period, the case is closed. If the household provides the verification before the end of the third month of the certification period, the case may be reopened for the remainder of the certification period without a new application, and benefits will not be prorated.

There is no limit to the number of times a household can be certified under expedited processes as long as the household has completed the verification requirements or was certified under normal processing standards since the last expedited certification.

4-002.02E Reinstatement During the Certification Period: A household in the Simplified Reporting (SR) category may be eligible for reinstatement during the remaining month(s) of the certification period if household circumstances change.

During the initial 30 days following the close effective date, the household may be reinstated if a change in circumstances is reported and verified by the household that re-establishes the household's eligibility. The household is not required to file a new application. A desk review is completed to determine if the household is eligible. If eligible, the SNAP benefits are prorated from the date of report if verified in ten days or from the date all information to re-establish eligibility is received if more than ten days.

If the certification period has ended or would end during the month of report, a new application must be taken.

4-003 Notices: The household must be provided with a notice as soon as a determination of eligibility is made but no later than 30 days after the date the application was filed.

4-003.01 Notice of Eligibility: If an application is approved, the household must be provided a notice of eligibility which includes the amount of the allotment, the reporting category, and the beginning and ending dates of the certification period. This eligibility notice must inform the household of:

1. Variations in the benefit level based on changes anticipated at the time of certification; the initial and following month's benefits if the first issuance contains benefits for the month of application and the following month;
2. The initial and following month's benefits if the first issuance contains benefits for the month of application and the following month;
3. The initial month's benefits and aggregate benefits, if a combined allotment will be issued to an expedited household;
4. The household's right to a fair hearing including information about free legal services available and the telephone number of the local office;
5. The reporting requirements for households assigned to Simplified Reporting (SR):
   a. The household's total gross monthly income exceeds the maximum gross monthly income limit for the household size; or
   b. A non-exempt ABAWD household member's work, volunteer, or work program hours decrease to below 20 hours per week or below a total of 80 hours per month;
6. The non-reporting requirements for the household in the Transitional Benefit Reporting (TBR) category;
7. The need to reapply for continued participation at the end of the certification period; and
8. The need for a household entitled to expedited services to provide any remaining required verification necessary to continue benefits.

4-003.02 Notice of Denial: If an application is denied, the household must be provided with a notice of denial. This denial notice must inform the household of:

1. The reason for the denial;
2. The household's right to a fair hearing, including information about free legal services available, and the telephone number of the local office; and
3. If the delay was caused by the household's failure to complete the application process, the worker must explain:
   a. The action the household must take to reopen the application process;
   b. That the case will be reopened without a new application if the household takes the required action within 30 days following the application received date; and
   c. That the household must submit a new application if at least 60 days have passed following the application received date, and the household:
      (1) Has not provided the required information; and
      (2) Wishes to participate in the program.

4-003.03 Notice of Pending Status: If an application is held pending more than 30 days because the worker is unable to complete the application process, the local office must provide the household with written notice that the application is still pending.

4-003.04 Timely Notice: Before any action can be taken to reduce or terminate a household's benefits within the certification period, the worker must send the household a timely notice.

When the agency mail has been returned with no forwarding address, it is not necessary to send a notice to an address known to be incorrect. The worker has the option to send an adequate notice to households whose mail has been returned with no known forwarding address. A household that did not receive a notice and had benefits reduced or terminated retains the right to a fair hearing and restoration of benefits as if the household had received a notice.

4-003.04A Timeliness: The notice of adverse action period includes at least ten days from the date the notice is mailed to the date the action becomes effective. Actions become effective on the first day of the month's allotment cycle. An allotment cycle always begins on the first day of the month.

In addition, extra time must be allotted when the last processing day falls on a Friday or when a holiday follows the last processing day since notices will not be generated until the next workday.

The ten-day period of advance notice allows the household to contest the worker's action before the action becomes effective. The effective date of the adverse action is the first day of the month following the expiration of the ten-day adverse action period.

If the period of adverse action ends on a weekend or a holiday and a request for a fair hearing and continuation of benefits is received on the next workday, the worker considers the request as being within the period of adverse action.

{Effective 1/3/2005}

4-003.04B Adequate Notice: The household is notified in writing no later than the date the household receives or would have received its allotment of a benefit reduction or termination when any of the following conditions exist:

1. The household reports the information in writing which results in the reduction or termination and the worker can determine both eligibility and benefit level based on the household's written information;
2. Agency mail to the household has been returned with no forwarding address and the action taken would require a timely notice in normal circumstances; or
3. When an individual is disqualified for intentional program violation (IPV), the worker notifies the remaining members of their eligibility and benefit level at the same time the disqualified member is notified of his/her disqualification.

4-003.04C Notice Exemptions: Individual notices of action are not required in cases when the action is due to:

1. A mass change;
2. The death of all household members;
3. The entire household moves out of the state;
4. The completion of a restoration of benefits period if the household was previously informed in writing when the increased restoration of benefits would terminate;
5. Month-to-month variances in the household's allotment provided the household was notified of the exact allotment(s) at the time of certification;
6. Initial receipt of an ADC grant provided the household was notified at the time of certification that SNAP benefits would decrease upon approval of the ADC grant;
7. A household member being disqualified for intentional program violation;
8. Verification being received which would terminate or reduce benefits for an expedited case when a certification period of more than one month was assigned. The household must have been informed at the time of certification that the local office would act on verified information without further notice;
9. The conversion of a household from cash repayment of an intentional program violation claim to benefit reduction as a result of failure to make cash repayment;
10. A resident of a chemical dependency treatment center or group home becoming ineligible because of the facility losing its license with the appropriate state agency. Residents of a group home which loses its license or certification may still apply on their own behalf; and
11. The voluntary request of the household that its participation be terminated. If the household does not put the request in writing, the worker must send a letter confirming the request. The written confirmation must allow the household to request a fair hearing but does not have to meet other adverse action requirements.

4-003.05 Notice of Expiration: The Department notifies the households of the expiration of their certification periods by sending a notice. The automated "Notice of Expiration of Certification Period" must be received by the household between the 15th day of the next to last month and the first day of the last month of the certification period.

4-003.05A Timeliness: Regardless of when the local office assigns an interview date, the worker considers the household's application as timely if it is received by the 15th day of the last month of certification.

Households provided a notice of expiration have a minimum of 15 days from the date the notice is received to file a timely application for recertification. If the application is mailed in, the household must allow two days mailing time to ensure that the local office receives the application within 15 days.

4-004 Household Responsibility to Report: An applying household must report all changes relating to its SNAP eligibility and benefit level at the certification interview.

{Effective 6/28/11}

4-004.01 Reporting Categories:

4-004.01A Households Assigned to Simplified Reporting: All SNAP households must be assigned to Simplified Reporting unless they are excluded from this reporting category. The household is assigned to the Simplified Reporting category:

1. At application;
2. At reapplication; or
3. When a household reports a change that requires the household to be assigned to the Simplified Reporting category.

When the household is assigned to the Simplified Reporting category, the household remains in this reporting category until the end of the certification period, unless the household becomes eligible to be assigned to the Transitional Benefit Reporting category.

4-004.01A1 Household Excluded from Simplified Reporting: Households whose ADC cash grant has ended are excluded from Simplified Reporting and must be assigned to the Transitional Benefit Reporting category.

4-004.01A2 Determining Timeframes for Simplified Reporting Households: All households assigned to Simplified Reporting must be assigned to this reporting category for six months. If a household is assigned to this reporting category during an ongoing certification period, the certification period may have to be lengthened or shortened to six months when the household is placed into the Simplified Reporting category.

4-004.01A3 Simplified Reporting Requirements: Households assigned to the SR category are only required to report when the household's actual total gross monthly income exceeds the maximum gross monthly income limit for the household size, or when the household contains a non-exempt ABAWD whose hours decrease below 20 hours per week or below a total of 80 hours per month. The household must report information within ten days after the last day of the month in which the change occurred.

These are the only changes a household assigned to the SR category must report during the certification period.

All other changes are reported at recertification.

4.004.01A3a Action When ADC Grant Ends: When the household is assigned to the Simplified Reporting category and the ADC grant ends, the household must be assigned to Transitional Benefit Reporting if they are eligible for that reporting category. The household must be assigned to the Transitional Benefit Reporting category the month of the ADC Transitional Medical Assistance (TMA) grant or the month after the ADC grant ends when a TMA grant is not authorized.

When the SR household's ADC grant ends because the household has reported a change and has not provided sufficient information or verification to determine continued ADC cash benefits, the household must be assigned to TBR if the household is eligible for that reporting category.

4-004.01A3b Action on Interface Changes: The Department must take action on all information received through automated exchanges.

The following Interface information is considered verified upon receipt and does not require additional client verification before Department action:

1. Retirement Survivors and Disability Insurance (RSDI) information received from the Beneficiary Earnings and Data Exchange (BENDEX);
2. Supplemental Security Income (SSI) information from the State Data Exchange (SDX); and
3. Integrated Unemployment Compensation (IUC) information from the Department of Labor.

The following Interface information is considered a "lead" and requires additional client verification before Department action:

1. Wage information from the Nebraska Department of Labor;
2. Income and Resource information from the Federal Internal Revenue Service;
3. IPV disqualification information from the USDA Electronic Disqualification Recipient System (eDRS); and
4. prisoner match information from the Social Security Administration (SSA).

4-004.01A3c Action on Other Changes: Action must be taken on all reported changes even if the client was not required to report the change. Action must also be taken on information reported to the agency by someone outside the SNAP household.

4-004.01A3d Action When Household Received Overissuance of SNAP Benefits: During the certification period if the household fails to report when the household income exceeded the maximum gross monthly income limit for the household size, the worker must determine if an overissuance occurred. The first month of the overissuance is two months after the actual monthly income exceeded the maximum monthly gross income limit.

4-004.01A3e Action When Household Received Underissuance of SNAP Benefits: SNAP benefits are not restored to Simplified Reporting households that fail to report changes at application and/or reapplication.
{Effective 6/28/11}

4-004.01B Households Assigned to Transitional Benefit Reporting: All SNAP households where one or more members were receiving an ADC cash grant and the ADC cash grant ends must be assigned to the Transitional Benefit Reporting (TBR) category unless the household is ineligible for TBR for one of the following reasons:

1. The ADC cash grant is ending because of an ADC sanction;
2. The ADC cash grant is ending because of non-cooperation with Employment First (EF);
3. An individual in the SNAP household is disqualified from SNAP; or
4. The household failed to comply with SNAP reporting requirements.

4-004.01B1 Determining Timeframes for Transitional Benefit Reporting Households: Households placed in TBR may be assigned to this category for up to five months. The first TBR month is the first month of the ADC transitional grant or the month after the ADC grant ends when an ADC transitional grant is not authorized. The household remains in TBR until the end of the TBR certification period unless the household requests to be assigned to Simplified Reporting.

4-004.01B2 Benefit Levels for Transitional Benefit Reporting Households: To calculate SNAP benefits for a household~~s~~ in TBR, the Department uses the budget from the final month the household receives the ADC grant and calculates a new budget that omits from income the ADC grant amount.

4-004.01B3 Transitional Benefit Reporting Requirements: Households in TBR are NOT required to report any changes during the time the household is in this reporting category.

4-004.01B3a Action on Reported Changes in Household Composition: Household composition changes which are reported are acted on only to prevent duplicate participation or when the household requests to be recertified. If a household member leaves the TBR household, the SNAP allotment remains the same unless the individual leaving the TBR household applies for SNAP benefits on his/her own behalf or requests to be added to another SNAP household. In these cases, the individual(s) leaving the household must be removed from the TBR household to prevent duplicate participation. The household remains in TBR unless the household requests to be recertified.

If an individual joins a TBR household, no changes are made unless the household requests to add the new individual to the SNAP household. The household is notified that their SNAP case will be closed and that the household must file a new application to receive future benefits and be placed in the proper reporting category.

4-004.01B3b Action on Other Reported Changes: Other changes, including verified Interfaces, which are reported or are known to the agency, are not acted on until TBR ends. The information/verification must be placed in the case file to be used at recertification.

4-004.01B3c Action When Transitional Benefit Reporting Ends: Households which have been in the TBR category for five months must be closed at the end of the five months. To receive SNAP thereafter, a household must reapply and, upon approval, will be assigned to Simplified Reporting

4-004.01B3d Action When Household Received Overissuance of SNAP Benefits: Accounts receivable for established overissuances may be recouped from TBR benefits.

4-004.01B3e Action When Household Received Underissuance of SNAP Benefits: If a household received fewer SNAP benefits than they were entitled to due to a local office error, the benefits must be restored to the household.
{Effective 6/28/11}

4-004.01B4 Transitional Benefit Reporting for Households That Move to Nebraska: A household that received ADC (TANF) cash assistance in another state before moving to Nebraska and/or a household that moved to Nebraska during TBR eligibility in another state may be eligible for TBR. The household must meet Nebraska's TBR eligibility requirements.

Procedures for determining TBR for households that received ADC (TANF) cash assistance in another state before moving to Nebraska or a household that moved to Nebraska during TBR eligibility in another state are located at 475-000-305.

4-004.02 Local Office Action on Changes

4-004.02A Unclear Information: When unclear information is received by the worker, either from the client or another means, the worker must pursue clarification or verification from the household or collateral sources. If clarification or verification is requested from the household, the department must provide written notice to the household which.

1. Advises the household of the verification it must provide or the actions that must be taken to clarify its situation, either by telephone or written correspondence;
2. Allows the household at least ten days to provide the information; and
3. Advises the household of the consequences for failure to respond within ten days.

4-004.02A1 Household Response:

4-004.02A1a Household Does Not Respond: If the household does not respond to the verification request or does respond but refuses to provide sufficient information to clarify its circumstances, the worker must:

1. Issue a notice of adverse action which terminates the case;
2. Explain the reasons for the action; and
3. Advise the household of the need to submit a new application.

4-004.02A1b Household Does Respond: If the household does respond with sufficient information, the worker must act on the new circumstances.

1. When the information provided will result in an increase in benefits, the change is made for the following month.
2. When the information provided will result in a decrease in benefits, the change is made for the following month if timely notice can be provided.
3. When the information provided will result in a decease in benefit and time does not allow for a timely notice, the change is made for the month following the expiration of the timely notice.

4-004.02B Household Composition

4-004.02B1 Adding Member(s): When a household reports an increase in household membership, the worker requests the household to provide or apply for an SSN for the new household member.

The new household member must meet the same eligibility factors as applicant household members. When benefits will increase, the new member is added to the household for the month after the change is reported if the household provides requested verification within ten days of the reported change. If the verification is received too late in the month to make the change for the next issuance month, the worker issues supplemental benefits. When benefits will decrease, the change in the household membership is effective the month following the expiration of the notice of adverse action.

When the increase in household membership is reported too late in the month to remove the person from the household s/he has been participating with and give timely notice to the household, the change is made the month after the household member last received benefits with his/her previous household.

4-004.02B2 Removing Member(s): When a household reports the loss of a household member, the worker is not required to obtain verification before making the change unless the information is questionable. When the benefit increases due to the loss of a household member, the individual is removed from the household for the month after the change is reported when the benefit will increase. When benefits decrease due to the loss of a household member, the individual is removed for the month following the expiration of the timely notice and the SNAP benefit is adjusted for the month after the ten-day notice period has expired. If the timeliness standard is waived by the household, the SNAP benefit is adjusted for the month following the reported change.

4-004.02C Resources: Resource changes which are reported that do not affect the household's eligibility are documented in the case file. The value of vehicles is verified at the time of the report by use of the Kelley Blue Book. Other resource changes which do not affect the household's eligibility are not verified until recertification unless questionable. At recertification resources are verified if the total amount of countable resources indicated on the application is $1500 or more.

If a change of resources is reported which would put the household over the resource limit, no verification is needed before closing the case. If it is uncertain whether the report of a change regarding resources will put the household over the resource limit, the worker requests verification and closes the case if appropriate.

{Effective 6/28/11}

4-004.02D Income: The new source of income or the income change must be reported within ten days of the date of the first payment or the first payment attributable to the change. The household is sent a request for contact in writing. The request for contact must inform the household of:

1. Verification needed to determine the new benefit amount;
2. Length of time to provide the information; and
3. Consequences of not providing the information timely.

If the household responds within the ten days, appropriate action is taken to determine the new allotment. The household must be given timely notice when the SNAP benefit decreases.

If the household does not respond within the ten days, the worker closes the case for the following month provided the household can be given timely notice.

All sources and amounts of income must be verified before using the income in the SNAP budget. If a change of income is reported which would put the household over the income limit for the household size, no verification is needed before closing the case.

{Effective 6/28/11}

4-004.02E Assistance Reporting Requirements: If the household receives benefits from another assistance program provided by the Department, any changes reported to the worker handling the other assistance case are considered to have been reported for SNAP purposes. Department assistance programs may require changes to be reported which are not required to be reported for SNAP.

If a change is reported, the worker also makes the change in the SNAP budget even if it involves a change that need not be reported for SNAP.

4-004.02E1 Reduction of ADC Benefits: If a household's ADC benefits are reduced during a certification period and the worker has sufficient information to determine SNAP eligibility, the worker must take the following action:

1. If both the ADC grant and the SNAP benefits are reduced, a single timely notice may be sent to the household for the ADC and SNAP actions.
2. If the household requests a fair hearing, the household's ADC and SNAP benefits are continued at the same amount as immediately before the notice was sent.
3. If a fair hearing is requested, the hearing must be conducted according to procedures for SNAP.
4. If the certification period expires before the completion of the fair hearing process, the household must reapply for benefits.
5. If the ADC benefits are terminated but the household is still eligible for SNAP benefits, the worker must advise household members of the work requirements, if applicable.

4-004.02E2 Termination of ADC Benefits Due to Insufficient Information or Verification: The household's regular ADC grant ended because the household reported a change but did not provide sufficient information or verification to determine continuing ADC benefits. The household would be placed in the Transitional Benefits Reporting category for the month following the month that the last regular ADC grant was used in the SNAP budget. To be placed in this reporting category, the household must be eligible to be assigned to TBR.

4-004.02F Deduction Changes: The following guidelines apply in regard to deduction changes:

1. Except for shelter and utility, verification is required if the change would increase benefits:
   2. If verification is:
   a. Received within ten days of the reported change, the increase would be effective for the next issuance ten days after the change is reported.
   b. Not received within ten days of the reported change, the increase would be effective by the next issuance ten days after the change was verified.

3. Verification is not required before acting on changes which would decrease benefits. This verification would be done at the next recertification. Benefit decreases as a result of deduction decreases are effective in the month following the expiration of the adverse action period unless adequate notice is sufficient.

{Effective 6/28/11}

4-004.02F1 Medical: Households are not required to report changes in medical expenses during the certification period. However, if a household does provide verified changes during the certification period, the worker is required to act on these changes. This applies to a change that results in either an increase or a decrease in benefits.

If the eligibility worker learns of a change in medical expenses from a source other than the household (e.g., from the household's AABD case, etc.) and the change is considered to be verified, the worker acts on the change. However, the worker must not contact the household for additional information or verification. If the change would require the worker to contact the household, the worker must not act on the change during the certification period.

If the reported change will decrease benefits, the worker acts on information provided without waiting for verification. If not verified before recertification, the change would be verified at that time.

4-004.02F2 Dependent Care: Households are not required to report changes in dependent care during the certification period.

If the household reports that a household member will start paying dependent care costs, the worker should assess the household's eligibility for the deduction and request verification before allowing it.

The worker is not required to verify dependent care changes which would reduce the household's benefits before acting on the change. The change would be verified at the time of recertification.

4-004.02G Interface Related Changes: An information alert through the automated system is considered information known to the agency and must be acted upon.

4-004.02H Changes Reported After an Aggregate Benefit Issued

4-004.02H1 Increase in Benefits: If a household reports a change which would increase benefits after an aggregate budget has been completed the worker changes the allotment as follows:

1. If the change involves a decrease in income of $50 or more or the addition of a household member, a supplemental benefit may need to be issued after the verification is provided.
2. If a change occurs that does not involve a decrease in income of $50 or more or the addition of a household member, the worker makes the allotment increase effective:

   a. For the aggregate month by means of a supplemental benefit when verification is provided before the first day of the aggregate month.
   b. For the month following the aggregate month when verification is not provided before the first day of the aggregate month.

{Effective 1/3/2005}

4-004.02H2 Decrease in Benefits: If a household reports a change which would decrease benefits after an aggregate budget has been completed, the change is effective for the month following the aggregate month.

4-004.02J Other Changes: Although the household is not required to report some changes in household circumstances, the worker acts on these changes if information is received which would affect the household's eligibility or benefit level.

{Effective 9/4/2002}

4-004.03 Benefit Increases: If the household reports a change other than a change in shelter or utility costs that will increase the household's SNAP benefits, the household must provide verification of the change before any action will be taken.

When the change is an addition of a new household member who is not a member of another certified household or an income decrease of $50 or more in the household's gross monthly income, the household must be allowed a minimum of ten days to provide verification.

1. When the household provides the verification within ten days of the date the change is reported, the worker must make the change in the month's allotment following the month the change was reported. When the change is reported in the last ten days of the month and verified within ten days of the report, supplemental SNAP benefits must be issued.
2. When the household does not provide the verification within ten days of the date the change is reported but does provide the verification at a later date, the worker must make the change in the month's allotment following the month after verification is received. When the verification is received too late in the month to change the next month's allotment, supplemental SNAP benefits must be issued.

When the household reports a change that will increase the SNAP benefits other than the addition of a household member or the decrease of $50 or more in income, the change may be made in the following month. The change must be effective for the allotment issued ten days after the change was reported:

1. When the household provides the verification within ten days of the date the change is reported, the worker must make the change no later than the first allotment issued ten days after the change is reported.
2. When the household does not provide the verification within ten days after the change is reported but does provide the verification at a later date, the worker must make the change no later than the first month's allotment issued ten days after the verification is received.

{Effective 6/28/11}

<u>4-004.03A Supplementals</u>: For households in the Simplified Reporting category supplemental benefits must be issued to households under the following circumstances:

1. The household has reported a $50 or more decrease in household's gross monthly income or an addition of a household member who is not in another certified household;
2. The verification of the change is received too late to make the change for the appropriate benefit cycle; and
3. Supplemental benefits must be issued by the tenth day of the following month.

4-004.06 Failure to Report: If the household failed to report a change as required and received benefits to which it was not entitled, the worker must file a claim against the household. If the discovery is made within a certification period, the worker must send the household a timely notice if its benefits will be reduced.

A household is not liable for a claim because of a change in household circumstances, which it is not required to report. Individuals are not disqualified for failing to report a change unless they are disqualified in accordance with the intentional program violation disqualification procedures.

{Effective 1/3/2005}

4-005 Mass Changes:

4-005.01 Federal and State Adjustments: Adjustments to eligibility standards, allotments, deductions, standard utility allowances, and standard shelter allowances will go into effect for all households at a specific point in time. Local offices will be notified when the changes occur.

The worker does not need to send notices for these changes. These mass changes will be publicized through the news media, posters in certification offices, or through general notices provided to the households.

4-005.02 Mass Changes in State Grants: When the Department makes an overall adjustment to state grant payments, the worker must handle adjustments to SNAP benefits as a mass change using the following procedures:

1. If the worker knows of the change at least 30 days before it is effective, the SNAP benefits must be recomputed to be effective in the same month as the grant change.

2. If the worker does not have 30 days notice of the change, the SNAP change must be effective no later than the month following the month of the grant change.

A timely notice is not required as a result of a mass change in the state grant, however, the household must be informed of the change. If a household requests a fair hearing, benefits must be continued at the former level only if the issue being appealed is the incorrect computation of SNAP eligibility or benefits.

4-005.03 Social Security and SSI Benefits: The household is not responsible for reporting cost-of-living adjustment (COLA) increases and other mass changes in Social Security and SSI payments. The local office is responsible for automatically adjusting the household's SNAP benefit level to reflect the change.

A timely notice is not required for COLA and other mass changes in Social Security and SSI; however, the household must be informed of the change. If a household requests a fair hearing, benefits must be continued at the former level only if the issue being appealed is incorrect computation of SNAP eligibility or benefits.

4-006 Restored Benefits: Benefits must be restored to households when they do not receive all of the benefits to which they were entitled because:

1 The agency made a mistake;
2. An intentional program violation disqualification is later reversed;
3. It is required by court order; or
4. Federal regulations specifically require it.

Benefits are restored as soon as possible and must be completed no later than 30 days from the date the agency error was discovered. Benefits must be restored even if the household is not currently eligible or participating in the SNAP Program. The amount restored will be in addition to any current benefit the household is entitled to receive; however, if the household has a prior unpaid Accounts Receivable, that amount is offset from the restored amount, and the remainder, if any, is restored to the household.

Restored benefits are not calculated for more than 12 months before the month of the date of discovery, unless court ordered. Underpayments caused by agency error will be restored; however, underpayments caused by the household are not restored.

4-006.01 Changes in Household Composition: If the household composition changes before benefits can be restored, benefits must be restored to the household containing the majority of individuals who were household members at the time the underpayment occurred. If the household containing the majority of members cannot be located, benefits must be restored to the individual who was the head of the household at the time the underpayment occurred.

{Effective 6/9/2003}

4-007 Collections: This section details the responsibilities and guidelines in regard to:

1. Establishing Overpayments/Accounts Receivable; and
2. Collections on Accounts Receivable.

{Effective 6/9/2003}

4-007.01 Establishing Overpayments: Thresholds have been established to determine whether or not to create an Accounts Receivable against a certified or non-certified household. The thresholds are determined by how the error was determined and whether or not the household is certified at the time the overpayment is discovered. Accounts Receivable are established for:

1. All overissuances determined by Quality Control;
2. Certified households when the cumulative amount of the overpayment is $25 or more; or
3. Non-certified households when the cumulative amount of the overpayment is $125 or more.
4. The amount of the threshold for each type of household is applied at the time the overpayments are calculated.

There are three types of overpayments:

1. Administrative Error Overpayment: Any overpayment caused by the local office's action or failure to take action.
2. Inadvertent Household Error Overpayment: Any overpayment caused by a household's misunderstanding or unintended error.
3. IPV Overpayment: Any overpayment caused by an IPV as adjudicated by:
   a. A disqualification hearing;
   b. A court of appropriate jurisdiction; or
   c. A household's signing of a waiver of the individual's right to a disqualification hearing.

4-007.01A Criteria for Establishing Administrative Error (AE) Overpayments: Overpayments must be established against households who were issued benefits they were not entitled to receive due to an AE for no more than 12 months before the month of initial discovery. Instances of AE include, but are not limited to:

1. Income, resources, or deductions which were computed incorrectly or otherwise caused an incorrect benefit amount;
2. Action that was not taken timely based on information known to the agency or reported by the household;
3. When incorrect policy or procedure was applied; or
4. When duplicate benefits were issued in error.

{Effective 6/9/2003}

4-007.01B Criteria for Establishing Inadvertent Household Error (IHE) Overpayments: An overpayment must be established against any household that received an overissuance due to an IHE within the last 12 months before the month of discovery. Action may be taken on an overpayment for which more than 12 months have elapsed; however, action cannot be taken on overpayments for which more than six years have elapsed between the month an overpayment occurred and the month the overpayment was discovered.

The following are the most common overpayment situations caused by inadvertent household errors:

1. Household misunderstanding or an unintended error resulting in the household either reporting incorrect information or failing to report information or changes; or
2. Household receiving continued benefits pending a fair hearing and the agency's decision was upheld.

{Effective 6/9/2003}

4-007.01C RESERVED

4-007.01D Criteria for Establishing Intentional Program Violation (IPV) Overpayments: Potential IPVs must be reported to the Special Investigations Unit (SIU), Central Office. Until a determination of an IPV has been made, the Accounts Receivable is processed as an Inadvertent Household Error.

In situations where a potential IPV may have occurred, overpayments are calculated back to the month the alleged IPV occurred up to six years from the date of discovery. If the alleged IPV was caused by the household's failure to report information timely, the overpayment must be calculated beginning with the month the change would have been effective if it had been reported in a timely manner. The first month of the overpayment cannot be more than two months after the change occurred.

{Effective 6/9/2003}

4-007.01E Trafficked Benefits: Overpayment amounts of trafficked benefits will be established based on reports from Food and Nutrition Service (FNS), Office of Inspector General (OIG) or the H DHSS Special Investigation Unit (SIU). Overpayments based upon trafficking or attempted trafficking of SNAP benefits will be established using the individual's admission, the adjudication, or the evidence of trafficking which may include evidence obtained from social media sites.

4-007.01F Situations When Overpayments Are Not Established: An overpayment is not established when:

1. The agency failed to ensure that the household signed the application form;
2. A categorically eligible or an Expanded Resource Program eligible household has been overpaid benefits and there has been no change in the net income and/or household size;
3. The SNAP household is receiving benefits and the accumulated months of IHE and/or AE overpayments total less than $25 and Quality Control or the Special Investigative Unit (SIU) did not discover the error; or
4. The SNAP household is not receiving benefits and the accumulated months of IHE and/or AE overpayments total less than $125 and Quality Control or the Special Investigative Unit (SIU) did not discover the error.

4-007.02 Collecting Accounts Receivable

4-007.02A Criteria for Initiating Collection Action on Inadvertent Household and Administrative Error Accounts Receivable: Action must be taken to initiate collection on all types of overpayments. Collection on Accounts Receivable will be done through recoupment from the household's benefit or by other collection actions.

{Effective 1/3/2005}

4-007.02B Criteria for Initiating Collection Action on Intentional Program Violation (IPV) Accounts Receivable: IPV overpayments are handled as inadvertent household error Accounts Receivable for collection purposes until a household member is found to have committed an IPV through a disqualification hearing, in a court of appropriate jurisdiction or if the individual has signed a waiver to an administrative disqualification hearing.

{Effective 6/9/2003}

4-007.02C Initiating Collections of Accounts Receivable (AR): For households currently receiving benefits, recoupment occurs automatically through a monthly benefit reduction beginning the first month possible considering ten day notice of adverse action. Benefits are not recouped from any prorated month.

In cases where a household was found guilty of an intentional program violation or has signed a waiver to a disqualification hearing, collection must be initiated the first month possible.

Households not currently certified receive monthly billing statements. If the AR becomes delinquent, repayment is undertaken through other collection actions.

{Effective 6/9/2003}

4-007.02C1 Benefit Reduction for IHE or AE Accounts Receivable: The amount of the IHE or AE benefit reduction is the greater of ten percent of the household's SNAP monthly benefit or $10 unless the household agrees to a higher amount.

{Effective 6/9/2003}

4-007.02C2 Benefit Reduction for IPV Accounts Receivable: The amount of the monthly benefit reduction for IPV is the greater of 20 percent or $20 unless the household agrees to a higher amount.

{Effective 6/9/2003}

4-007.02C3 Other Collection Actions: In addition to benefit reduction for participating households, the following may also be used to repay overpayments:

1. SNAP benefits;
2. Cash payments either through installment payments or lump sum amounts;
3. Treasury Offset Program (TOP);
4. Offset of restored benefits;
5. Public service if authorized by a court;
6. State tax refunds;
7. Wage garnishments;
8. Lottery winnings;
9. Property liens;
10. Small claims court; and
11. Unemployment Compensation Benefits intercept.

If the household's benefit is reduced, no other involuntary collection methods will be used unless the source of the payment is irregular and unexpected such as a state tax refund or lottery winnings offset.

The household has the option to voluntarily enter into an agreement to repay the AR through an additional repayment method even though monthly SNAP benefits are being recouped.

4-007.03 Establishing Delinquency: An AR becomes delinquent when:

1. There is no active recoupment;
2. No collections have been received within 210 days from the date of the initial demand letter or post fair hearing notice;
3. The AR has not been paid by the due date and a satisfactory payment arrangement has not been made:
   a. The due date is the date on the initial written notification/demand letter or post fair hearing notice-30 days from the mail date;

b. ARs remain delinquent until payment is received in full, a satisfactory payment agreement is negotiated or an allotment reduction is invoked;

4. An AR payment arrangement has been established but a scheduled payment has not been made by the due date.
Note: The due date is the date of the missed payment.

The AR will remain delinquent until:

a. Payment is received in full;
b. An allotment reduction is invoked;
c. The repayment schedule is resumed or renegotiated;
d. A good faith effort is determined; or
e. The AR is compromised due to hardship.

{Effective 6/9/2003}

4-007.03A ARs Not Considered Delinquent: ARs will not be considered delinquent in the following situations:

1. Another AR for the same household is currently being paid either through an installment agreement or benefit reduction and collection on the AR(s) is anticipated to begin once the prior overpayment is settled;
2. Collection is being coordinated through the court system and the State Agency has limited control over the collection action; or
3. The AR is awaiting a fair hearing decision.

{Effective 6/9/2003}

4-007.04 Action Taken on Delinquent Accounts: All ARs that are legally enforceable and delinquent are submitted to the Treasury Offset Program (TOP) as well as to other programs or agencies for further collection actions. Debtors will receive notice of impending referral to TOP.

{Effective 6/9/2003}

4-007.04A Suspended Collection on AR: An Administrative Error (AE), Inadvertent Household Error (IHE) or Intentional Program Violation (IPV) AR will be suspended in the following situations:

1. The household is nonparticipating;
2. Delinquency of the AR has been established;
3. At least one demand letter has been sent; and
4. At least three billing statements have been sent to the household

Suspended ARs will still be subject to Treasury Offset Program (TOP) collection and automatic recoupment if the responsible party becomes eligible for benefits.

{Effective 6/9/2003}

4-007.04B Terminated Collection on ARs: An Administrative Error, Inadvertent Household Error or Intentional Program Violation AR will be terminated and written off in the following situations:

1. The AR has been in suspended status for three or more years with no active collection;
2. All adult household members have died;
3. The AR balance is $25.00 or less and there are no ARs existing that would result in an aggregate of ARs to be greater than $25.00 and the AR has been delinquent for 90 days or more; or
4. The household cannot be located.

4-007.04C Compromising an Accounts Receivable: An Administrative Error, Inadvertent Household Error or Intentional Program Violation AR will be compromised in the following situations:

1. The State Agency will compromise an AR or a portion of an AR if it is reasonably determined that a household's economic circumstances dictate that the AR will not be paid in three years; or
2. The full amount of an AR, including any compromised amount, will be used to offset benefits.

{Effective 6/9/2003}

4-007.05 Change in Household Composition: Collection action must be taken against any or all of the adult household members at the time the overissuance occurred. If a change in household composition occurs, the AR may be collected from any household which contains an original adult member of the household which received the overissuance.

Offsetting the amount of the AR may also be done against restored benefits owed to any household which contains an adult member of the original household at the time the overissuance occurred.

The amount collected must never exceed the amount of the AR.

{Effective 6/9/2003}

4-008 Allotment Reduction or Cancellation Procedures: If federal funds for SNAP run out before the end of a fiscal year, it is possible that SNAP benefits would have to be reduced or cancelled. This section details these procedures.

4-008.01 Benefit Reductions: If a reduction in benefits is necessary, the amounts for each household size will be reduced by the same percentage. All one and two-person households affected by a reduction are guaranteed the minimum monthly benefit unless the action is:

1. A cancellation of benefits; or
2. A national reduction of 90 percent or more of the total amount of benefits.

{Effective 6/28/11}

4-008.02 Cancellations: If benefits are cancelled, the provision for the minimum benefit for households with only one or two members must be disregarded and households must have their benefits cancelled.

Benefits or portions of benefits representing restored or retroactive benefits for a prior unaffected month would not be reduced or cancelled even though they are issued during an affected month.

{Effective 6/9/2003}

4-008.03 Restored or Retroactive Benefits: Restored or retroactive benefits for prior months not affected must not be reduced or cancelled, even though they are issued during the time period the statewide benefit reduction is in force. The agency must continue to make benefits available as needed to provide these restored or retroactive SNAP benefits.

Households whose benefits are reduced or cancelled as a result of a reduction or cancellation are not entitled to restoration of lost benefits at a future date. However, if FNS determines that restoration can take place as a result of surplus funds from the reduction or cancellation, the agency provides affected households with restored benefits.

4-008.04 Notification and Certification of Eligible Households: A notice of adverse action (NOAA) is not provided to households affected by reduction or cancellation of benefits.

Local offices must continue the normal acceptance of applications, processing of applications, and determinations of eligibility during a reduction or cancellation. Expedited processing standards remain in effect during a reduction. If an applicant is found to be eligible for benefits and a reduction is in effect, the issuance will be based on the reduced benefit table. If an applicant is found to be eligible for benefits during a cancellation period, benefits will not be issued.

The reduction or cancellation of benefits does not affect the certification periods assigned to households. Recertifications continue for those participating households whose certification periods expire during a reduction or cancellation period.

4-008.05 Fair Hearing: Any household that has its benefit reduced or cancelled as a result of funding cuts may request a fair hearing if it disagrees with the action, subject to the following conditions:

1. The request for a fair hearing must be based on a household's belief that:
   a. Its benefit level was computed incorrectly under the rules governing the reduction or cancellation; or
   b. These rules were misapplied or misinterpreted.
2. Households do not have the right to continuation of benefits pending fair hearings.
3. The appropriate amount of restored benefits may be issued if it is determined that benefits were decreased by more than the reduction rules required.

4-008.06 Resumption of Issuance: The worker must act immediately to resume issuing benefits to certified households after receiving notice that a cancellation of benefits is over and must resume issuance as soon as possible.

CHAPTER 5-000 ELECTRONIC BENEFITS TRANSFER (EBT) CARD ISSUANCE AND ACCOUNTABILITY

5-001 Card Issuance Requirements: After the worker determines eligibility, the Issuance and Collection Center (ICC) is responsible for the timely and accurate issuance of an Electronic Benefits Transfer (EBT) card. The Issuance and Collection Center must establish and maintain an issuance and accountability system which will ensure that:

1. Only certified households receive EBT cards; and
2. EBT cards are accepted, stored and protected after delivery to receiving points within the project area.

{Effective 1/3/2005}

5-001.01 Time Standards for Benefit Availability

5-001.01A Initial Certification: No later than 30 calendar days after a household or its representative files an application:

1. A household's eligibility must be determined; and
2. An eligible household must be given an opportunity to participate.

The 30-day time limit includes allowing a household time to receive its EBT card.

{Effective 6/9/2003}

5-001.01B Recertification: When the Department receives an application for recertification on or before the 15th day of the last month of the certification period, the worker must complete the process for a timely reapplication before the end of the household's current certification period.

When the Department receives an application for recertification after the 15th day but before the last day of the last month of the certification period, the worker must complete the process for a timely reapplication within 30 days of receiving the application.

When the Department receives an application for recertification no more than 30 days after the last day of the last month of the certification period, the worker considers the application to be a recertification request but the worker must (1) screen for expedited eligibility; and (2) process benefits within seven days if eligible for expedited service or otherwise within 30 days of the application date.

5-001.01C Supplemental Benefits: Households that report the addition of a household member or a decrease in total gross income of $50 or more are entitled to an increase in SNAP benefits the month following the month of report when the information is verified timely. When the additional benefits cannot be included in the regular issuance for the following month the household must be provided supplemental SNAP benefits by the tenth day of the month following the month when the change was reported.

5-001.02 EBT Card Issuance to Authorized Representatives: The worker may encourage each applicant household to name an authorized representative to have access to EBT benefits. The household may designate an emergency authorized representative at any time.

5-001.03 Liabilities: The ICC must take every action to ensure the security of EBT cards.

{Effective 6/9/2003}

5-001.03A Accountable Documents and Security: The Department is liable for EBT cards obtained through the use of documents which are lost, stolen, or embezzled from the ICC. The following minimum security and control procedures must be provided for these documents:

1. Secure storage;
2. Access limited to authorized personnel;
3. Inventory control records;
4. Follow up control records maintained through the point of issuance; and
5. Periodic review and validation of inventory controls and records by parties not otherwise involved in maintaining control records.

{Effective 6/9/2003}

5-002 Staff Responsibilities

5-002.01 Issuance and Collection Center (ICC) Responsibilities: The ICC is responsible for issuing the EBT cards. The mail delivery type will be first class for all mailed cards. Alternate delivery types may be used at the discretion of ICC staff.

The ICC staff are responsible for daily reconciliation of the EBT cards. In addition, the ICC staff are responsible for ensuring that all issuance requirements are met and maintained.

{Effective 6/9/2003}

5-002.02 Worker Responsibilities: The worker must:

1. Provide timely expedited service, if applicable;
2. Return any EBT cards received at the local office to the ICC;
3. Direct the client to ICC if the client is having difficulty with the EBT contractor's call center.

{Effective 6/28/11}

5-003 Replacements

5-003.01 EBT Card Replacements: The ICC must issue a replacement EBT card when the automated system has been notified by the EBT contractor that a household has reported a card lost, stolen or damaged and has requested a new card. EBT cards will be replaced within five days following the request of replacement by the household.

{Effective 6/9/2003}

5-003.02 EBT Benefit Replacement: A household must report a lost or stolen card immediately. When reported, an immediate hold must be placed on the account and no further benefits can be accessed with that card. At the time of report, the household can request a replacement card. No benefits will be replaced.

{Effective 6/9/2003}

5-003.03 Food Destroyed in a Disaster: In cases when food purchased with EBT benefits is destroyed in a disaster affecting a participating household, that household may be eligible for the replacement of the actual value of loss, not to exceed the household's one month SNAP allotment. The loss must be reported within ten days of the occurrence and the household's disaster must be verified. The local office must verify the disaster through a collateral contact or a community organization, such as the fire department, the Red Cross or a home visit.

This policy applies in cases of natural disasters affecting more than one household, as well as individual household disasters, such as fire, or power outage lasting more than four hours (for refrigerated food) or twenty-four hours (for frozen food). In cases where the Food and Nutrition Service has issued a disaster declaration and the household is otherwise eligible for disaster SNAP benefits, the household must not receive both the disaster allotment and replacement benefits for the same month under this provision. There is no limit on the number of replacements for food purchased with SNAP benefits which were destroyed in a household misfortune.

5-004 EBT Account Aging: Account aging occurs when a SNAP household has not used the benefits in their EBT account.

{Effective 6/28/11}

5-004.01 Inactive EBT Account: An inactive account is an account that has not had a debit transaction in the past 365 days. The SNAP household will continue to have access to all SNAP benefits remaining in their EBT account until the benefits are expunged from the account.

{Effective 6/28/11}

5-004.02 Dormant EBT Account: A dormant account is an account that has not had a debit transaction in the past 90 days. The household will continue to have access to all SNAP benefits remaining in their EBT account.

{Effective 6/28/11}

5-004.02A Dormant EBT Account Benefits: Dormant account benefits can be applied to any outstanding Accounts Receivable an adult household member may have following appropriate notice.

5-004.03 Expunged EBT Account: An expunged account is an account that has not had a debit transaction in the past 365 days. The ICC can apply any expunged benefits to any outstanding Accounts Receivable the SNAP household may have.

{Effective 6/28/11}

5-005 EBT Benefit Adjustments: If a system error occurs when the household is using its EBT card at the grocery store, the household's EBT card will be corrected through an adjustment process. These adjustments may occur after the benefit availability date and may result in either a debit or credit to the household.

{Effective 6/9/2003}

5-005.01 Client-Initiated Adjustments: SNAP households have 90 calendar days from the date of the error to initiate a correction request (claim). Client-initiated credit adjustments must be adjudicated and processed within 15 calendar days from the date the household reports the error. This timeframe also applies if the state agency or entity other than the household discovers a system error that requires a credit adjustment to the household.

{Effective 6/28/11}

5-005.02 Retailer-Initiated Adjustments: Retailers have nine calendar days from the original date of a system error to identify the error. Retailers must submit the correction request to the issuer and request that an adjustment be processed against the cardholder's account.

1. The state must act upon all debit adjustments initiated by a retailer no later than 15 calendar days from the date the error occurred.
2. A notice must be sent to the household upon receipt of the notification and data pertaining to the requested adjustment from the EBT Claim Tracking System through the EBT contractor. The household's notice must provide specific detailed information about the error transaction and must advise the household of the right to a fair hearing.
3. No hold will be placed on the account balance for the amount of the adjustment.
4. If the household disputes the requested adjustment and requests a fair hearing within the 15 calendar day timeframe, no further action would be taken to adjust (debit) the household's account until the fair hearing decision is rendered.
   a. If the fair hearing decision is rendered in the household's favor, no further action is needed.
   b. If the decision is rendered in favor of the State Agency, collection activity must begin immediately against the current account balance. The contractor will reopen the claim and will attempt daily to make the adjustment. No debit adjustment will occur unless the account has sufficient balance to complete the total amount of the adjustment by the end of the next calendar month. Nebraska will not settle partial adjustments.
5. If the household does not request a fair hearing within 15 calendar days, the system will automatically begin the collection process upon expiration of that time period. If the account does not contain sufficient funds to cover the entire debit adjustment amount, the system will attempt daily to make the adjustment until the end of the next calendar month. No debit adjustment will occur unless the account contains sufficient balance for the total amount of the adjustment. Nebraska will not settle partial adjustments.

{Effective 6/9/2003}