



United States
Department of
Agriculture

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Food and
Nutrition
Service

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Subject: Supplemental Nutrition Assistance Program (SNAP) – Excluding the Special \$25 Weekly Unemployment Compensation Payment – Questions and Answers

To: All Regional Directors
Supplemental Nutrition Assistance Program (SNAP)

This memorandum transmits the first set of Questions and Answers that the Program Development Division has received about excluding the special weekly \$25 Unemployment Compensation payments.

On November 19, 2009, the Program Development Division issued a memorandum to inform you that SNAP must exclude the \$25 weekly Unemployment Compensation Payments that States make under Section 2002 of the American Recovery and Reinvestment Act of 2009 (ARRA). That memorandum and these questions and answers supersede the policy that appears in the memorandum dated March 18, 2009, Additional Questions and Answers, Question and Answer 2.

Your offices have sent questions and comments about this new policy; we appreciate the hard work that the regional offices and State SNAP agencies are doing to implement this policy as quickly and as efficiently as possible.

SNAP Quality Control's review procedures for this exclusion will appear in a forthcoming memorandum from the Program Accountability and Administration Division.

Attached are the first questions and answers. If you receive others, please send them to the Program Design Branch and the Certification Policy Branch, so that we may include them in a later set.

Arthur T. Foley
Director
Program Development Division

Attachment

AN EQUAL OPPORTUNITY EMPLOYER

Supplemental Nutrition Assistance Program (SNAP) and the American Recovery and Reinvestment Act of 2009 (ARRA) Special \$25 Unemployment Compensation Payments

Making These Payments

Question 1. How long will State Unemployment Compensation agencies make these payments?

Answer. As of November 30, 2009, States will make these payments until June 30, 2010. A State SNAP agency should confirm this with their State's Unemployment Compensation agency.

Question 2. Do all State Unemployment Compensation agencies make these payments?

Answer. All but Guam. According to the website of the United States Department of Labor (<http://www.dol.gov/opa/media/press/eta/ETA20090196.htm>), all the States, the District of Columbia, and the Virgin Islands have agreed to make these payments; Guam does not pay Unemployment Compensation. However, each State SNAP agency should confirm this with their State's Unemployment Compensation agency.

Question 3. Is this \$25 special payment also known as Federal Additional Compensation (FAC)?

Answer. Yes.

Excluding These Payments

Question 4. Will SNAP's exclusion last as long as State Unemployment Compensation agencies make these payments?

Answer. Yes.

Question 5. May a State SNAP agency assume that \$108 (\$25 a week, converted) of all Unemployment Compensation checks is excluded income?

Answer. No. For two reasons. First, while the excluded income is \$25 per week, the converted amount will depend upon each State SNAP agency's conversion factor and whether the State SNAP agency converts weekly income or uses month-by-month exact monthly figure (please see 7 CFR 273.10(c)(2)).

Second, conversion is only acceptable when a household receives a full month's income. So for example, if a household begins to receive weekly Unemployment Compensation after the first week of the month, the State SNAP agency would not convert the weekly \$25 payment for that month. Instead, they would add up the number of actual \$25 payments and exclude the total of those \$25 payments for that month.

Implementing This Exclusion

Question 6. When must a State SNAP agency implement this change in SNAP policy?

Answer. As soon as possible. FNS sympathizes with the State SNAP agencies, who must re-program computers, inform and train the staff in local offices, and provide necessary materials. However, this exclusion is now in effect and our clients are entitled under the law to an accurate monthly SNAP benefit. Therefore, State SNAP agencies must act as quickly as possible.

Question 7. Why do the exclusion and the resulting restoration extend back to November 1, 2009, when the Worker, Homeownership, and Business Assistance Act (WHBA), went into effect on November 6, 2009?

Answer. We chose to extend the exclusion back to November 1, 2009, for administrative simplicity. It is easier to instruct everyone to exclude all of the checks in a full month. This is especially true for resources, since SNAP determines eligibility for an entire month, not day by day. Also, dating the exclusion from November 6 could make a household ineligible simply because they applied before that date, while they would have been eligible had they waited to apply.

Restoring Lost Benefits

Question 8. Must State agencies restore benefits to a household whose payment was not excluded after November 1, 2009?

Answer. Yes. WHBA, which excludes these special payments, went into effect when President Obama signed it, November 6, 2009. As of that date, the \$25 weekly payments became excluded income for SNAP. Therefore, on that date, eligible households became entitled to SNAP benefits that did not count the special payments.

Question 9. In the November 19, 2009 memorandum, under the heading Restoring Lost Benefits, this phrase appears in the first paragraph: “Although the State agencies are not responsible for the under-issuances”. What is the significance of this phrase?

Answer. The regulations about restored benefits (at 7 CFR 273.17(a)(1)) begin with this sentence: “The State agency shall restore to households benefits which were lost whenever the loss was caused by an error by the State agency or by an administrative disqualification for intentional Program violation which was subsequently reversed as specified in paragraph (e) of this section, or if there is a statement elsewhere in the regulations specifically stating that the household is entitled to restoration of lost benefits.”

The significance of the phrase in the memorandum was simply to clarify that State agencies must restore lost benefits in this situation, even though the restoration is not based on a State agency’s error or a reversed disqualification.