

Dear Senators LODGE, Broadsword & Werk, and  
Representatives BLOCK, Nielsen & Henbest:

The Legislative Services Office, Research and Legislation, has received the enclosed rules of the Health & Welfare: 16.03.04 Rules Governing the Food Stamp Program of Idaho.

Pursuant to Section 67-454, Idaho Code, a meeting on the enclosed rules may be called by the cochairmen or by two (2) or more members of the subcommittee giving oral or written notice to Research and Legislation no later than fourteen (14) days after receipt of the rules' analysis from Legislative Services. The final date to call a meeting on the enclosed rules is no later than 10-9-08. If a meeting is called, the subcommittee must hold the meeting within forty-two (42) days of receipt of the rules' analysis from Legislative Services. The final date to hold a meeting on the enclosed rules is 11-06-08.

\_\_\_\_\_The germane joint subcommittee may request a statement of economic impact with respect to a proposed rule by notifying Research and Legislation. There is no time limit on requesting this statement, and it may be requested whether or not a meeting on the proposed rule is called or after a meeting has been held.

To notify Research and Legislation, call 334-2475, or send a written request to the address or FAX number indicated on the memorandum enclosed.

## **MEMORANDUM**

**TO:** Rules Review Subcommittee of the Senate Health & Welfare Committee and the House Health & Welfare Committee

**FROM:** Research & Legislation Staff - Paige Alan Parker

**DATE:** September 22, 2008

**SUBJECT:** Department of Health and Welfare - IDAPA 16.03.04 - Rules Governing the Food Stamp Program (Docket No. 16-0304-0803) (Temporary and Proposed).

According to the Department, the temporary and proposed rule contained in Docket No. 16-0304-0803, rules governing the Food Stamp program (hereafter “temporary and proposed rule”), is authorized by section 56-203, Idaho Code, the 2008 Federal Farm Bill, Public Law 110-234, sections 4120, 4103, 4107, 4113, 4114 and 4115, and US H.R. 2419. Section 56-203, Idaho Code, provides a listing of the Department’s powers, including cooperation with the federal government in carrying out the purposes of any federal acts pertaining to public assistance or welfare services. The Department’s general rulemaking authority is granted in section 202(b), Idaho Code. The Department also comments that the “changes in Idaho statute regarding ‘Able Bodied Adults Without Dependents’ program will require the Department to amend these rules.” The Department provides no citation to this statute.

US H.R. 2419, the 2008 Federal Farm Bill became law on May 22, 2008, following the Congress override of the President’s veto. The sections cited by the Department amend various sections of the Food and Nutrition Act of 2008. According to the Department, the 2008 Federal Farm Bill requires five mandatory changes to the Idaho Food Stamp rules: (1) removal of the cap on dependent care expenses; (2) increase of the amounts of allowed assets; (3) expansion of excluded retirement accounts and exclude two new education accounts from the asset test; (4) increase of the minimum food stamp benefit amount; and (5) deletion of obsolete reference to Food Stamp coupons. In addition, the Department states that additional changes conferring a benefit are: (1) rewrite of the Able Bodied Adults Without Dependents program to restart the three-year period; (2) clarify when the Department must act upon unemployment insurance information; and (3) comply with the Idaho Code by updating the Individual Development Account.

The Governor's justifications for the temporary rule are to comply with federal mandates and to confer a benefit to Food Stamp participants. The temporary rule goes into effect on October 1, 2008.

According to the Department, no fee or charge is imposed by the temporary and proposed rule. The Department states that there is no anticipated impact to the general fund greater than \$10,000 during the fiscal year as a result of the temporary and proposed rule. The Department did not undertake negotiated rulemaking because the federal mandate required the rule change and because it confers a benefit. The Department states that public hearings will be scheduled if requested in writing by 25 persons, a political subdivision or an agency, not later than October 15, 2008. The Department states that all written comments must be delivered to the Department on or before October 22, 2008.

## ANALYSIS

The temporary and proposed rule deletes definitions for "coupon" and "coupon allotment." Deleted sections 010.17 and 18. This is consistent with section 4115 of the 2008 Federal Farm Bill.

The temporary and proposed rule adds a new definition for "individual development account (IDA)" in section 011.21: "Matched funds saving accounts that can only be used to save for a certain asset goal." "Individual Development Account" is also defined in the Idaho Family Asset Building Initiative in section 56-1101(5), Idaho Code, as "a contract between an account holder and a fiduciary organization for the deposit of funds into a financial institution by the account holder, and the deposit of matching funds into the financial institution by the fiduciary organization from private and public contributions made to the fiduciary organization for such purpose, to allow the account holder to accumulate assets for use toward achieving a specific purpose approved by the fiduciary organization." The Department's abbreviated definition in the temporary and proposed rule varies from the statutory definition. Such practice should be discouraged since it creates confusion and may lead to legal challenges.

Under section 251 of the temporary and proposed rule, the 36-month period during which a person who does not meet the conditions to participate in the Food Stamp program can not participate in the program as a household member for more than three months, restarts on December 1 every third year following December 1, 1996.

The temporary and proposed rule provides for the adjustment of the resource limit for inflation using the Consumer Price Index beginning on October 1, 2008, rounded down to the nearest \$250. Sections 305 and 306. The resource limit under the existing rule is \$3,000 for households with one member age 60 or older or disabled and \$2,000 for other households. The temporary and proposed rule also provides that each adjust is based on the unrounded amount for the prior 12-month period. This inflation adjustment appears to be consistent with section 4102

of the 2008 Federal Farm Bill.

Deleted as Liquid Resources under section 309 of the temporary and proposed rule are “Individual Retirement Accounts (IRAs)” and “Keogh Plan Funds.” Under section 357 of the temporary and proposed rule, the statement that “IRAs and Keogh Plans are not excluded, unless a binding contract exists with a person who is not a household member” is deleted. Instead, the cash value of any funds in a plan, contract or account described in specified sections of the Internal Revenue Code and the value of funds in a Federal Thrift Savings Plan Account are excluded as a resource, including any current or future Tax-Preferred Retirement Accounts which are approved under federal or state law. Also excluded as a resource under the temporary and proposed rule are educational accounts (sections 529 and 530 of the Internal Revenue Code) and the cash value of an Individual Retirement Account. Sections 364 and 365. The source authority for these exclusions in the 2008 Federal Farm Bill is not readily apparent.

The temporary and proposed rule removes unemployment benefits data maintained by the Department of Commerce and Labor (or its counterpart agency) from the list of IEVA (Income and Eligibility Verification System) data that is considered verified upon receipt, unless it is questionable. Section 411. One of the purposes for this rulemaking, according to the Department, is to clarify when the Department must act upon unemployment insurance information. By deleting unemployment benefits data maintained by the Department of Commerce and Labor from the list of data considered verified upon receipt, the Department appears to be taking the position that such data must be verified.

Sections 533.05 and 536 of the temporary and proposed rule modifies the dependent care deduction (which is subtracted from non-excluded income) by eliminating the maximum dollar amounts for the dependent care deduction (\$200 per dependent child under the age of 2 years and \$175 for any other dependent care). The temporary and proposed rule states that the dependent care may be needed for children or adults.

The temporary and proposed rule changes the post initial month benefits from a minimum allotment of \$10 for one or two-person households to 8% of the maximum one-person allotment. Section 564.01. This change is carried into section 728 on Food Stamp Reduction, Suspension, or Cancellation, where the Department must guarantee one or two-person households a minimum benefit equal to 8% of the maximum one-person allotment once the FCS notifies the Department of the effective date of a reduction.

## **SUMMARY**

The temporary and proposed rule appears to be authorized by sections 56-202(b) and 56-203(b), Idaho Code.

cc: Department of Health and Welfare - Administrative Procedures Section  
Rosie Andueza, Department of Health and Welfare.

**IDAPA 16 - DEPARTMENT OF HEALTH AND WELFARE**  
**16.03.04 - RULES GOVERNING THE FOOD STAMP PROGRAM IN IDAHO**  
**DOCKET NO. 16-0304-0803**  
**NOTICE OF RULEMAKING - TEMPORARY AND PROPOSED RULE**

**EFFECTIVE DATE:** The effective date of the temporary rule is October 1, 2008.

**AUTHORITY:** In compliance with Sections 67-5221(1) and 67-5226, Idaho Code, notice is hereby given that this agency has adopted a temporary rule, and proposed rulemaking procedures have been initiated. The action is authorized pursuant to Section 56-203, Idaho Code, and the 2008 Federal Farm Bill, P.L. 110-234, Section 4102, 4103, 4107, 4113, 4114, and 4115; US H.R. 2419.

**PUBLIC HEARING SCHEDULE:** Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 15, 2008.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

**DESCRIPTIVE SUMMARY:** The following is the required finding and concise statement of its supporting reasons for adopting a temporary rule and a nontechnical explanation of the substance and purpose of the proposed rulemaking:

These rule changes must be made in order for the Department to be in compliance with changes made in federal code with the 2008 Farm Bill. Additionally, changes in Idaho statute regarding "Able Bodied Adults Without Dependents" program will require the Department to amend these rules.

The federal 2008 Farm Bill requires five mandatory changes to the Idaho Food Stamp rules:

1. The cap on dependent care expense was removed so we are allowing full costs in the food stamp allotment calculation.
2. Rule changes will increase the amounts of allowed assets. These increases to the asset limit will be based on inflation.
3. Expand excluded retirement accounts and exclude two new education accounts from asset test.
4. The minimum food stamp benefit amount will be increased.
5. Delete rules referring to food stamp coupons as coupons are no longer issued.

Additional changes conferring a benefit are:

1. The Able Bodied Adults Without Dependents program will be rewritten to restart the three-year period.
2. Clarify when the Department must act upon unemployment insurance information.
3. Update the rule regarding the Individual Development account from assets test to comply with changes to Idaho Code.

**TEMPORARY RULE JUSTIFICATION:** Pursuant to Section 67-5226(1)(b) and (c), Idaho Code, the Governor has found that temporary adoption of the rule is appropriate for the following reasons: Federal mandates require this rule change and it confers a benefit.

**FEE SUMMARY:** Pursuant to Section 67-5226(2), the Governor has found that the fee or charge being imposed or increased is justified and necessary to avoid immediate danger and the fee is described herein: NA

**FISCAL IMPACT:** The following is a specific description, if applicable, of any fiscal impact on the state general

fund greater than ten thousand dollars (\$10,000) during the fiscal year.

There is no fiscal impact to the state general fund due to this rulemaking.

**NEGOTIATED RULEMAKING:** Pursuant to 67-5220(1), Idaho Code, negotiated rulemaking was not conducted because federal mandates require this rule change and it is conferring a benefit.

**ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS:** For assistance on technical questions concerning the temporary and proposed rule, contact Rosie Andueza at (208) 334-5553.

Anyone may submit written comments regarding the proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 22, 2008.

DATED this 18th day of August, 2008.

Tamara Prisock  
DHW - Administrative Procedures Section  
450 W. State - 10th Floor  
P.O. Box 83720  
Boise, ID 83720-0036  
(208) 334-5564 phone (208) 334-6558 fax  
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**THE FOLLOWING IS THE TEXT OF DOCKET NO. 16-0304-0803**

**010. DEFINITIONS A THROUGH D.**

For the Food Stamp Program, the following definitions apply: (4-11-06)

**01. Adequate Notice.** Notice a household must receive on or before the first day of the month an action by the Department is effective. (4-6-05)

**02. Administrative Error Claim.** A claim resulting from an overissuance caused by the Department's action or failure to act. (6-1-94)

**03. Aid to the Aged, Blind and Disabled (AABD).** Cash, excluding in-kind assistance, financed by federal, state or local government and provided to cover living expenses or other basic needs. (4-11-06)

**04. Applicant.** A person applying for Food Stamps. (6-1-94)

**05. Application for Participation.** The application form filed by the head of the household or authorized representative. (6-1-94)

**06. Application for Recertification.** When a household applies for recertification within thirty (30) days of the end of the certification period, it is considered an application for recertification even if a partial month of benefits is received. (4-11-06)

**07. Authorized Representative.** A person designated by the household to act on behalf of the household to apply for or receive and use Food Stamps. Authorized representatives include private nonprofit organizations or institutions conducting a drug addiction or alcoholic treatment and rehabilitation center acting for

center residents. Authorized representatives include group living arrangement centers acting for center residents. Authorized representatives include battered women's and children's shelters acting for the shelters' residents. Homeless meal providers may not be authorized representatives for homeless Food Stamp recipients. (4-11-06)

**08. Battered Women and Children's Shelter.** A shelter for battered women and children which is a public or private nonprofit residential facility. If the facility serves others, a portion of the facility must be set aside on a long-term basis to serve only battered women and children. (6-1-94)

**09. Boarder.** Any person or group to whom a household, other than a commercial boarding house, furnishes meals and lodging in exchange for an amount equal to or greater than the thrifty food plan. Children, parents and spouses in a household must not be treated as boarders. (6-1-94)

**10. Boarding House.** A licensed commercial enterprise offering meals and lodging for payment to make a profit. (6-1-94)

**11. Categorical Eligibility.** If all household members receive or are authorized to receive monthly cash payment through TAFI, AABD or SSI, the household is categorically eligible. Categorically eligible households are exempt from resource, gross and net income eligibility standards. (4-11-06)

**12. Certification Determination.** Actions necessary to determine household eligibility including interviews, verification, approval, denial, field investigation, analysis and corrective action necessary to insure prompt, efficient and correct certifications. (6-1-94)

**13. Certification Period.** The period of time a household is certified to receive Food Stamp benefits. The month of application counts as the first month of certification. (4-11-06)

**14. Claim Determination.** The action taken by the Department establishing the household's liability for repayment when an overissuance of Food Stamps occurs. (6-1-94)

**15. Change Reporting Household (CR).** A household in which all members are elderly or disabled. (4-11-06)

**16. Client.** A person entitled to or receiving Food Stamps. (6-1-94)

~~**17. Coupon.** Any coupon, stamp, access device, or certificate issued under the Food Stamp Program for the purchase of food. (4-6-05)~~

~~**18. Coupon Allotment.** The total dollar amount of Food Stamps allowed the household during the full or prorated month. (6-1-94)~~

~~**197. Department.** The Idaho Department of Health and Welfare. (6-1-94)~~

~~**2018. Desk Review.** A desk review is a recertification that may or may not include talking to the participant. (4-11-06)~~

**219. Disqualified Household Members.** Individuals required to be excluded from participation in the Food Stamp Program are Disqualified Household Members. These include: (6-1-94)

**a.** Ineligible legal non-citizen who do not meet the citizenship or eligible legal non-citizen requirements. (7-1-98)

**b.** Individuals awaiting proof of citizenship when citizenship is questionable. (6-1-94)

**c.** Individuals disqualified for failure or refusal to provide a Social Security Number (SSN). (6-1-94)

**d.** Individuals disqualified for Intentional Program Violation (IPV). (6-1-94)

- e.** Individuals disqualified for receiving three (3) months of Food Stamps in a three (3) year period in which they did not meet the work requirement for able-bodied adults without dependent children. (7-1-98)
- f.** Individuals disqualified as a fugitive felon or probation or parole violator. (7-1-98)
- g.** Individuals disqualified for a voluntary quit or reduction of hours of work to less than thirty (30) hours per week. (7-1-98)
- h.** Individuals disqualified for failure to cooperate in establishing paternity and obtaining support for a child under eighteen (18). (7-1-98)
- i.** Individuals convicted under federal or state law of any offense classified as a felony involving the possession, use, or distribution of a controlled substance when they do not comply with the terms of a withheld judgment, probation, or parole. The felony must have occurred after August 22, 1996. (3-30-01)

**220. Documentation.** The method used to record information establishing eligibility. The information must sufficiently explain the action taken and the proof and how it was used. (6-1-94)

**231. Drug Addiction or Alcoholic Treatment Program.** Any drug addiction or alcoholic treatment rehabilitation program conducted by a private nonprofit organization or institution or a publicly operated community mental health center under Part B of Title XIX of the Public Health Service Act (42 USC 300x, et seq.). Indian reservation based centers may qualify if FCS requirements are met and the program is funded by the National Institute on Alcohol Abuse under Public Law 91-616 or was transferred to Indian Health Service funding. (4-6-05)

**011. DEFINITIONS E THROUGH L.**

For the Food Stamp Program, the following definitions apply: (4-11-06)

**01. EBT Handbook.** Idaho Department of Health and Welfare Rules, IDAPA 16.03.20, "Rules Governing Electronic Benefit Transfer (EBT) of Public Assistance, Food Stamps, and Child Support." (7-1-98)

**02. Electronic Benefit Transfer.** A method of issuing Food Stamps to an eligible household. (7-1-98)

**03. Eligible Foods.** Any food or food product for human consumption excluding alcohol, tobacco, and hot foods and hot food products ready for immediate consumption. Eligible foods include: (6-1-94)

- a.** Garden seeds and plants to grow food for human consumption. (6-1-94)
- b.** Meals prepared for the elderly at a communal dining facility. (6-1-94)
- c.** Meals prepared and delivered by an authorized meal delivery service. (6-1-94)
- d.** Meals served to a narcotics addict or alcoholic who participate and reside in a rehabilitation center program. (6-1-94)
- e.** Meals prepared and served by an authorized group living center to blind or disabled residents who receive benefits under Titles I, II or X, XIV, XVI of the Social Security Act. (6-1-94)

**f.** Meals prepared and served at a shelter for battered women and children to eligible residents. (6-1-94)

**g.** Meals prepared and served by an authorized public or private nonprofit establishment to homeless Food Stamp participants. (6-1-94)

**04. Eligible Household.** A household living in a Idaho and meeting the eligibility criteria in these rules. (4-11-06)

**05. Emancipated Minor.** A person, age fourteen (14) but under age eighteen (18), who has been



married or whose circumstances show the parent and child relationship has been renounced such as a child in the military service. (6-1-94)

**06. Enumeration.** The requirement that each household member provide the Department either their Social Security Number (SSN) or proof that they have applied. (6-1-94)

**07. Exempt.** A household member who is not required to register for or participate in the JSAP program is exempt. A household member who is not required to register for work is exempt. (6-1-94)

**08. Farm Bill.** Public Law 107-171, "Farm Security and Rural Investment Act of 2002." (4-6-05)

**09. Fair Hearing.** A fair hearing in an appeal of a Department decision. See Section 003 of these rules for appeals. (4-11-06)

**10. Federal Fiscal Year.** The federal fiscal year (FFY) is from October 1 to September 30. (6-1-94)

**11. Field Office.** A Department of Health and Welfare service delivery site. (4-6-05)

**12. Food Assistance.** The Department's Food Stamp Program or Food Distribution Program. (6-1-94)

**13. Food and Nutrition Service (FNS).** The Food and Nutrition Service of the U.S. Department of Agriculture. This is the federal entity that administers the Food Stamp program. (4-11-06)

**14. Group Living Arrangement.** A public or private nonprofit residential setting serving no more than sixteen (16) residents. The residents are blind or disabled and receiving benefits under Title II or XVI of the Social Security Act, certified by the Department under regulations issued under Section 1616(e) of the Social Security Act, or under standards determined by the Secretary of USDA to be comparable to Section 1616(e) of the Social Security Act. (6-1-94)

**15. Homeless Person.** A person: (6-1-94)

**a.** Who has no fixed or regular nighttime residence. (6-1-94)

**b.** Whose primary nighttime residence is a temporary accommodation for not more than ninety (90) days in the home of another individual or household. (7-1-98)

**c.** Whose primary nighttime residence is a temporary residence in a supervised public or private shelter providing temporary residence for homeless persons. (6-1-94)

**d.** Whose primary nighttime residence is a temporary residence in an institution which provides temporary residence for people who are being transferred to another institution. (6-1-94)

**e.** Whose primary nighttime residence is a temporary residence in a public or private place which is not designed or customarily used as sleeping quarters for people. (6-1-94)

**16. Homeless Meal Provider.** A public or private nonprofit establishment or a profit making restaurant which provides meals to homeless people. The establishment or restaurant must be approved by the Department and authorized as a retail food store by FCS. (7-1-98)

**17. Identification Card.** The card identifying the bearer as eligible to receive and use Food Stamps. (4-11-06)

**18. Inadvertent Household Error Claim (IHE).** A claim resulting from an overissuance, caused by the household's misunderstanding or unintended error. A household error claim pending an intentional program violation decision. (6-1-94)

**19. Income and Eligibility Verification System (IEVS).** A system of information acquisition and

exchange for income and eligibility verification which meets Section 1137 of the Social Security Act requirements. (6-1-94)

**20. Indian General Assistance.** The general assistance program administered by the Bureau of Indian Affairs. (6-1-94)

**21. Individual Development Account (IDA).** Matched funds savings accounts that can only be used to save for a certain asset goal. (10-1-08)T

**22. Institution of Higher Education.** Any institution which normally requires a high school diploma or equivalency certificate for enrollment. These institutions include colleges, universities, and business, vocational, technical, or trade schools at the post-high school level. (7-1-97)

**23. Institution of Post Secondary Education.** Educational institutions normally requiring a high school diploma or equivalency certificate for enrollment, or admits persons beyond the age of compulsory school attendance. The institution must be legally authorized by the state and provide a program of training to prepare students for gainful employment. (4-11-06)

**24. Legal Noncitizen.** A qualified alien under 8 USC Section 1641(b). (4-6-05)

**25. Limited Utility Allowance (LUA).** Utility deduction given to a food stamp household that has a cost for more than one (1) utility. This includes electricity and fuel for purposes other than heating or cooling, water, sewage, well and septic tank installation and maintenance, telephone, and garbage or trash collection. (4-11-06)

**(BREAK IN CONTINUITY OF SECTIONS)**

**251. ABLE BODIED ADULTS WITHOUT DEPENDENTS (ABAWD) WORK REQUIREMENT.**  
To participate in the Food Stamp program, a person must meet one (1) of the conditions in Subsections 251.01 through 251.05 of this rule. A person who does not meet one (1) of these conditions may not participate in the Food Stamp program as a member of any household for more than three (3) full months (consecutive or otherwise) in ~~the~~ a fixed thirty-six (36) month period ~~beginning December 1, 2005 and ending November 30, 2008. The initial thirty-six (36) month period began December 1, 1996. The thirty-six (36) month period restarts the first day of December every third year thereafter.~~ (3-30-07)(10-1-08)T

**01. Work at Least Eighty Hours per Month.** The person must work at least eighty (80) hours per month. The definition of work under Section 251 of this rule is any combination of: (5-3-03)

- a. Work in exchange for money. (3-15-02)
- b. Work in exchange for goods or services, known as "in-kind" work. (3-15-02)
- c. Unpaid work, with a public or private non-profit agency. (3-15-02)

**02. Participate in JSAP or Another Work Program.** The person must participate in and comply with the requirements of the JSAP program (other than job search or job readiness activities), the WIA program, a program under Section 236 of the Trade Act of 1974, or another work program recognized by the Department. The person must participate for at least eighty (80) hours per month. (3-15-02)

**03. Combination of Work and Work Programs.** The person must work and participate in a work program. Participation in work and work programs must total at least eighty (80) hours per month. (3-15-02)

**04. Participate in Work Opportunities.** The person must participate in and comply with the requirements of a Work Opportunities program. (7-1-99)

**05. Residents of High Unemployment Areas.** ABAWDs residing in a county identified as having high unemployment or lack of jobs are not subject to the three (3) month limitation of benefits. ABAWDs residing in these counties are subject to JSAP work requirement but will not lose Food Stamp eligibility after three (3) months if they participate fewer than eighty (80) hours per month. An ABAWD residing in a high unemployment area must participate according to his plan. (3-20-04)

**(BREAK IN CONTINUITY OF SECTIONS)**

**305. RESOURCE LIMIT.**

The Food Stamp resource limit for households with one (1) member who is age sixty (60) or over, or disabled, is three thousand dollars (\$3,000). The resource limit is three thousand dollars (\$3,000), even if the person age sixty (60) or over is the only person in the household. The resource limit for other households is two thousand dollars (\$2,000). To be considered as disabled, a person must meet one (1) of the criteria listed in Subsections 216.02 through 216.10 of these rules. Beginning October 1, 2008, the resource limit will be adjusted for inflation using the Consumer Price Index, rounded down to the nearest two hundred and fifty dollars (\$250). Each adjustment is based on the unrounded amount for the prior twelve (12) month period. (~~3-20-04~~)(10-1-08)T

**306. CHANGE IN RESOURCE LIMIT.**

The Food Stamp resource limit changes from two thousand dollars (\$2,000) to three thousand dollars (\$3,000) the month a household member turns age sixty (60) or when the household member is disabled and meets one (1) of the criteria listed in Subsections 216.02 through 216.10 of these rules. The resource limits will be adjusted for inflation using the Consumer Price Index beginning October 1, 2008. (~~3-20-04~~)(10-1-08)T

**(BREAK IN CONTINUITY OF SECTIONS)**

**309. LIQUID RESOURCES.**

All liquid resources are counted, unless excluded. Liquid resources are listed below. Liquid resources can be easily converted to cash. (6-1-94)

- 01. Cash.** Cash on hand. (6-1-94)
- 02. Bank Accounts.** Checking, savings and credit union accounts. (6-1-94)
- 03. Lump Sum Payments.** Lump sum payments such as insurance, SSI, retirement, income tax refund. (6-1-94)
- 04. Trusts.** Unrestricted trust accounts and any available amounts from restricted trust accounts. (6-1-94)
- 05. Stocks.** Stocks, less fees for transfer and penalty for early sale. (6-1-94)
- 06. Bonds.** Savings bonds, treasury bonds, commercial bonds at current market value. (6-1-94)
- 07. Savings Certificates.** Saving certificates or certificates of deposit issued by banks, credit unions, or other financial concerns, less the penalty for early withdrawal. (6-1-94)
- ~~**08. Individual Retirement Accounts (IRA).** Individual Retirement Accounts (IRAs) for household members, less the penalty for early withdrawal. (6-1-94)~~
- ~~**09. Keogh Plan Funds.** Keogh plan funds for household members, less the penalty for early withdrawal. (6-1-94)~~

(BREAK IN CONTINUITY OF SECTIONS)

**357. PENSION PLANS OR FUNDS EXCLUDED AS A RESOURCE.**

The cash value of ~~pension plans or~~ any funds in a plan, contract, or account, described in Sections 401(a), 403(a), 403(b), 408, 408A, 457(b), and 501(c) of the Internal Revenue Code of 1986 and the value of funds in a Federal thrift Savings Plan account as provided for in 5 U.S.C. 8439 are excluded as a resource. ~~IRAs and Keogh plans are not excluded, unless a binding contract exists with a person who is not a household member. This exclusion includes any current or future tax preferred retirement accounts which are approved under federal or state law. (6-1-94)~~(10-1-08)T

(BREAK IN CONTINUITY OF SECTIONS)

**364. EDUCATIONAL ACCOUNTS EXCLUDED AS A RESOURCE.**

The cash value of any funds in a qualified tuition program described in Section 529 of the Internal Revenue Code of 1986 or in a Coverdell education savings account under Section 530 of the Internal Revenue Code are excluded as a resource. (10-1-08)T

**365. INDIVIDUAL DEVELOPMENT ACCOUNT EXCLUDED AS A RESOURCE.**

The cash value of an Individual Development Account (IDA) is excluded as a resource. (10-1-08)T

~~3646.~~ -- 372. (RESERVED).

(BREAK IN CONTINUITY OF SECTIONS)

**411. VERIFIED IEVS DATA.**

The IEVS data listed below is considered verified upon receipt, unless it is questionable: (6-1-94)

**01. Benefit Data Exchange (BENDEX).** BENDEX Social Security retirement and disability income data. (6-1-94)

**02. State Data Exchange (SDX).** Benefit and eligibility data from SSA under Titles II and XVI of the Social Security Act accessed through the State Data Exchange (SDX). (6-1-94)

~~03. Unemployment Insurance Benefits (UIB). Unemployment Insurance Benefit (UIB) data maintained by the Department of Commerce and Labor or its counterpart agency. (7-1-98)~~

**043. TAFI.** Temporary Assistance for Families in Idaho. (7-1-98)

**054. AABD.** Aid to the Aged, Blind, or Disabled. (6-1-94)

**065. Medicaid.** The Federally-aided program for medical care (Title XIX, Social Security Act). (6-1-94)

(BREAK IN CONTINUITY OF SECTIONS)

**533. HOUSEHOLD ELIGIBILITY AND BENEFIT LEVEL.**

A household's eligibility and benefit level is calculated in accordance with 7 CFR 273.10, except as indicated below

in Subsections 533.01 through 533.07. of this rule. The deductions in Subsections 533.01 through 533.07 of these rules are subtracted from non-excluded income. (4-11-06)

**01. Standard Deductions.** The standard deductions are controlled by Federal law. The monthly amounts are specified in Title 7 United States Code Section 2014. Current deductions may be found under <http://www.fns.usda.gov/fsp/government/cola.htm>. (4-6-05)

**02. Earned Income Deduction.** The earned income deduction is twenty percent (20%) of gross earned income. (6-1-94)

**03. Homeless Shelter Deduction.** The homeless shelter deduction is established by FNS and may be found under <http://www.fns.usda.gov/fsp/government/cola.htm>. (4-6-05)

**04. Excess Medical Deduction.** Excess medical expense is nonreimbursed medical expense of more than thirty-five dollars (\$35) per household per month. The household member must be either age sixty (60) or older or disabled to get this expense deduction. Special diets are not deductible. For allowable medical expenses, see Section 535 of these rules. (4-11-06)

**05. Dependent Care Deduction.** The dependent care expense deduction is for monthly dependent care expenses ~~up to a maximum of two hundred dollars (\$200) per dependent child under age two (2) and one hundred seventy five dollars (\$175) for any other dependent. The care must be needed for a household member to accept, continue, or seek employment, or attend school or training for employment.~~ The dependent care may be needed for children or adults. ~~(4-11-06)~~(10-1-08)T

**06. Child Support Deduction.** The child support expense deduction is the legally obligated child support and arrearage the household pays, or expects to pay, to or for a non-household member. (4-11-06)

**07. Excess Shelter Deduction.** Excess shelter expense is the monthly shelter cost over fifty percent (50%) of the household's income after all other deductions. The excess shelter expense is not deducted if the household has received the homeless shelter deduction. For allowable shelter expenses, see Section 542 of these rules. (4-11-06)

**(BREAK IN CONTINUITY OF SECTIONS)**

**536. DEPENDENT CARE EXPENSES.**

The care of a dependent must be necessary ~~for to maintain employment, conduct job search, employment, or attend school~~ or training. ~~The maximum deductible amount each month is two hundred dollars (\$200) per dependent child under age two (2) and one hundred seventy five dollars (\$175) for any other dependent. If a child in the household reaches his second birthday during the certification period, adjust the dependent care expense deduction the month after the child turns age two (2).~~ The dependent care expenses must be deducted from income. The dependent care ~~(4-6-05)~~(10-1-08)T must meet the criteria listed below:

**01. Employment.** To accept employment or continue employment. (6-1-94)

**02. Job Search.** To look for work. Person does not need to be subject to job search requirements. (6-1-94)

**03. Training or Education.** To attend training or to pursue education. The training or education must be preparation for employment. (6-1-94)

**(BREAK IN CONTINUITY OF SECTIONS)**

**564. BENEFITS AFTER THE INITIAL MONTH.**

After the initial month, benefits must be issued as described below. (6-1-94)

**01. One and Two Person Households.** All eligible one (1) and two (2) person households must receive a minimum allotment ~~of ten dollars (\$10)~~ equal to eight percent (8%) of the maximum one (1) person allotment. ~~(6-1-94)~~(10-1-08)T

**02. Three or More Person Household.** (6-1-94)

**a.** All eligible households with three (3) or more members entitled to one dollar (\$1), must receive two dollars (\$2). (6-1-94)

**b.** All eligible households with three (3) or more members entitled to three dollars (\$3), must receive four dollars (\$4). (6-1-94)

**c.** All eligible households with three (3) or more members entitled to five dollars (\$5), must receive six dollars (\$6). (6-1-94)

**03. Not Categorically Eligible.** All households, except categorically eligible households, must be denied if the household's net income exceeds the level at which benefits are issued. (6-1-94)

**(BREAK IN CONTINUITY OF SECTIONS)**

**728. FOOD STAMP REDUCTION, SUSPENSION, OR CANCELLATION.**

Food Stamps for all Food Stamp households must be reduced, suspended, or cancelled, if ordered by the USDA Secretary to comply with Section 18 of the Food Stamp Act of 1977. Reduced Food Stamps are computed using the thrifty food plan amounts and are reduced by a percentage defined by FCS. Food Stamp reduction, suspension, and cancellation rules are described below: (7-1-98)

**01. Reducing Food Stamps.** FCS will notify the Department of the effective date of reduction and of the thrifty food plan reduction percentage. The Department must: (7-1-98)

**a.** Act immediately to carry out the reduction. (6-1-94)

**b.** Guarantee one (1) and two (2) person households a minimum benefit of ~~ten dollars (\$10)~~ equal to eight percent (8%) of the maximum one (1) person allotment unless the reduction is ninety percent (90%) or more of total projected monthly benefits. ~~(6-1-94)~~(10-1-08)T

**c.** Notify Field Offices of the effective date and reduction percentage. (6-1-94)

**02. Notice to Households.** Reductions, suspensions, or cancellations are mass changes. Individual notice is not required. (6-1-94)

**03. Restoring Lost Benefits.** Households whose Food Stamps are reduced or cancelled under this section are not entitled to restoration of benefits. Reductions or cancellations of Food Stamps may be ordered restored by the USDA Secretary. (6-1-94)

**04. Effects on Certification.** Field Offices must continue to accept and process expedited service applications, regular applications, and recertifications to determine eligibility, and to assign certification periods during a reduction, suspension, or cancellation. (6-1-94)

**05. Food Stamps for Eligible Households.** If a reduction is in effect, compute Food Stamps by reducing the thrifty food plan amount for the eligible household's size by the percentage ordered by FCS. Then deduct thirty percent (30%) of the household's net Food Stamp income from the thrifty food plan amount. (7-1-98)

**06. Suspension or Cancellation.** If a suspension or cancellation is in effect, no Food Stamps are to be issued to the applicant. (6-1-94)

**07. Expedited Services.** If expedited services are allowed in reduction, suspension, or cancellation months: (6-1-94)

**a.** Process applications during reduction months and apply the reductions as instructed. (6-1-94)

**b.** Process applications during suspension months and suspend Food Stamps until the suspension ends. (6-1-94)

**c.** Process applications during cancellation months. The deadline for processing is two (2) days or the end of the application month, whichever is later. Suspend Food Stamps until the cancellation ends. (6-1-94)

**08. Hearings.** Any household whose allotment was reduced, suspended, or cancelled under this section can request a fair hearing. (6-1-94)