

# **FIELD OPERATIONS BUREAU FOOD STAMP UNIT (FSU)**

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**TRANSMITTAL NUMBER: 07-01**

**August 17, 2007**

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**TO: All Food Assistance Action Committee (FAAC) Members  
and Field Operations Bureau (FOB) staff**

**SUBJECT/PURPOSE: Procedures for Implementing Emergency Regulations  
Changes**

**RELATED REFERENCE: None**

**SUPERSEDES: None**

**EFFECTIVE DATE: Upon Receipt**

**BACKGROUND:**

Recently, the Food Stamp Policy Bureau received notification from the Food and Nutrition Service (FNS) that CDSS had misinterpreted two provisions contained in options authorized in the 2002 Farm Bill. These provisions allowed states the option of excluding certain types of income (Child Support payments and certain types of income of students) that are not counted under the state's TANF cash assistance program in determining benefit levels for impacted households. Effective November 1, 2006, CDSS implemented this option which included the exclusion of the \$50 Child Support Disregard payment and the earned income of a child under the age of 19 enrolled in elementary or secondary school at least half time. Both exclusions are currently allowed in CalWORKs. FNS has clarified that child support payments must be counted as income in their entirety (including the \$50 disregard), and that the student income exclusion does not apply to the earned income of students unless they are under the age of 18 (normal FS policy). The Policy Bureau is developing emergency regulations and attached is a draft All County Letter (ACL) instructing counties and the four consortia systems of this change.

In order to reduce the potential of Quality Control (QC) errors, the change will be effective immediately with the issuance of the ACL and counties will be requested to implement as soon as administratively feasible, but no later than October 1, 2007. All pertinent QC reviews are to be conducted using Federal rules, rather than State regulations which, as mentioned above, are being revised on an emergency basis. FNS indicated that there would be no need for a retroactive review of cases. We have provided draft copies of the ACL, changes to the regulations, and revised forms for review to the FS Committee and FS Advisory Team. (See Attached).

**INSTRUCTIONS:**

Effective immediately, when conducting the QC review of a case that is in receipt of child support payments, count the entire child support payment received by the household as unearned income.

The change relative to student income lowers the “ceiling’ for the exclusion from 19 to 18 years of age, so QC will continue to use the same exclusion criteria as before except that the income earned by students 18 years of age and older will no longer be excluded.

There is no 120-day hold harmless period for errors resulting from following the previously incorrect state polices.

**INQUIRIES:** Michael Bowman-Jones,  
Program Analyst

*Original Signed by Hector Hernandez*

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**HECTOR HERNANDEZ, CHIEF**  
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