

DEPARTMENT OF HUMAN SERVICES

Food Stamp Program

RULE MANUAL VOLUME 4B FOOD STAMPS

10 CCR 2506-1

[Editor's Notes follow the text of the rules at the end of this CCR Document.]

HISTORICAL RECORD OF STATEMENT OF BASIS AND PURPOSE, FISCAL IMPACT/REGULATORY ANALYSIS AND SPECIFIC STATUTORY AUTHORITY OF REVISIONS MADE TO STAFF MANUAL VOLUME 4B FOOD STAMPS

Revisions to sections B-4223.1, B-4223.4, B-4223.5, B-4230 and B-4515.1 were adopted on an emergency and final basis at the 11/1/85 State Board meeting, with an effective date of 11/1/85 (Document 9). Statement of basis and purpose, fiscal impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4216.4, B-4216.41, B-4220.6, B-4223.5, B-4240, and B-4242.12 were finally adopted at the 11/1/85 State Board meeting, with an effective date of 1/1/86 (Document 8). Statement of basis and purpose, fiscal impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4225.4 and B-4225.5 were adopted on an emergency basis at the 12/6/85 meeting, with an effective date of 12/6/85 (Document 6). Statement of basis and purpose, fiscal impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4213, B-4213.2, and B-4213.32 were adopted at the 12/6/85 meeting, with an effective date of 2/1/86 (Document 5). Statement of basis and purpose, fiscal impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4217, B-4217.1, B-4217.2, B-4221.11, B-4221.21, B-4221.24, B-4221.25, B-4222.6, B-4222.7, and B-4310 were finally adopted at the 1/3/86 meeting, with an effective date of 3/1/86 (Document 6). Statement of basis and purpose, fiscal impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4225.4 and B-4225.5 were extended as permanent rules at the 1/3/86 meeting, with an effective date of 3/6/86 (Document 5). Statement of basis and purpose, fiscal impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to Sections B-4014, B-4014.66, B-4220.4, were finally adopted following publication at the 2/7/86 meeting, with an effective date of 4/1/86 (Document 1). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule.

These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to Sections B-4311.5 - Cont., B-4311.51 - Concl., B-4317, B-4317.1, B-4317.6 - Concl., were emergency adopted at the 4/11/86 meeting, with an effective date of 4/11/86 (Document 13). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4014 - B-4014.3, B-4014.66 - B-4015.5, B-4220.4 - B-4220.6, were finally adopted following publication at the 5/2/86 meeting, with an effective date of 7/1/86 (Document 8). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4216.4 - Cont. - B-4216.4 - Cont., were emergency adopted at the 5/2/86 meeting, with an effective date of 7/1/86 (Document 12). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4222.7 - B-4223.2, B-4223.31 - B-4223.5, B-4224 - B-4224.3, B-4225.9 - B-4230.1, B-4242 - B-4242.2, B-4311.51 - Concl., were emergency adopted at the 5/2/86 meeting, with an effective date of 7/1/86 (Document 13). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4713.1 - B-4714-Concl., B-4742.11 - B-4742.15-Concl., were finally adopted following publication at the 5/2/86 meeting, with an effective date of 7/1/86 (Document 6). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4225.4, B-4242, B-4242.1, B-4242.12, B-4242.13, B-4242.2, B-4242.21, B-4242.3, B-4242.31, B-4242.32, B-4430.1, B-4430.2, B-4515.1, were finally adopted following publication at the 6/6/86 meeting, with an effective date of 8/1/86 (Documents 4, 6, 10, 11). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4110; B-4220.11 - B-4220.12; were emergency adopted at the 7/11/86 meeting, with an effective date of 7/11/86 (Document 2). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4011.1, B-4011.6, B-4012, B-4015.2, B-4110.1, B-4221, B-4225, B-4243.3, B-4311.5, B-4317, and B-4321, were finally adopted following publication at the 9/5/86 meeting, with an effective date of 11/1/86 (Document 11). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4110, B-4211, B-4217, B-4220, B-4223.51, B-4223.52, B-4240.1, and B-4311.5,

were finally emergency adopted at the 9/5/86 meeting, with an effective date of 9/5/86 (Document 15). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4011.1, B-4011.2, B-4011.3, B-4209, B-4211.1, B-4213, B-4220, B-4223, B-4224, B-4230, and B-4242.2 were emergency adopted at the 10/3/86 meeting, with an effective date of 10/3/86 (Documents 12 and 13). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4011.1, B-4011.22, B-4011.3, B-4209, B-4211.1, B-4213, B-4220, B-4220.1, B-4223.31, B-4223.1, B-4223.4, B-4223.5, B-4224, B-4230, and B-4242.2, were finally adopted emergency at the 11/7/86 meeting, with an effective date of 10/3/86 (Documents 9, 10). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions, additions, and deletions to sections B-4217, B-4221.24, B-4222.6, B-4242.2, B-4242.3, B-4430.1, B-4430.22, B-4430.25, B-4714, and B-4742.11, were finally adopted at the 12/5/86 State Board meeting, with an effective date of 2/1/87 (Document 4). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4213 and B-4223.4 were emergency adopted at the 1/21/87 State Board meeting, with an effective date of 1/21/87 (Document 2). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4014.2, B-4014.3, B-4220.6, B-4220.7, B-4222.6, B-4242.2, B-4311.4, B-4317.3, and B-4515.1 were finally adopted following publication at the 2/6/87 State Board meeting, with an effective date of 4/1/87 (Documents 10, 11). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4213 and B-4223.4 were finally adopted emergency at the 2/6/87 State Board meeting, with an effective date of 1/21/87 (Document 12). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4212, B-4216.2 and B-4222.6 were adopted emergency at the 3/6/87 State Board meeting, with an effective date of 3/6/87 (Documents 6 and 16). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4212, B-4216.2 and B-4222.6 were finally adopted emergency at the 4/3/87 State Board meeting, with an effective date of 3/6/87 (Document 14). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4500, B-4511 and applicable forms were finally adopted following publication at the 4/3/87 State Board meeting, with an effective date of 6/1/87 (Document 12). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to section B-4316 were emergency adopted at the 4/3/87 State Board meeting, with an effective date of 4/3/87 (Document 15). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4216 and B-4316 were finally adopted emergency at the 5/1/87 State Board meeting, with an effective date of 3/6/87 (Document 15) and 4/3/87 (Document 14). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4215 through B-4216 were finally adopted following publication at the 6/5/87 State Board meeting, with an effective date of 8/1/87 (Document 1). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4110, B-4220, and B-4223.5 were emergency adopted at the 6/5/87 State Board meeting, with an effective date of 6/5/87 (Documents 5 and 7). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4110, B-4220, and B-4223.5 were finally adopted emergency at the 7/10/87 State Board meeting, with an effective date of 6/5/87 (Documents 14 and 16). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4010, B-4011, B-4013, B-4014, B-4214, B-4215 through B-4216, B-4220 through B-4221, B-4430, and B-4821 through B-4832 were finally adopted following publication at the 7/10/87 State Board meeting, with an effective date of 9/1/87 (Documents 12 and 13). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to section B-4212 were adopted emergency at the 7/10/87 State Board meeting, with an effective date of 7/10/87 (Document 17). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to section B-4212 were finally adopted emergency at the 8/7/87 State Board meeting, with an effective date of 7/10/87 (Document 17). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to section B-4010, B-4011, B-4213, B-4220, B-4221, B-4222, and B-4225 were finally adopted following publication at the 9/11/87 State Board meeting, with an effective date of 11/1/87 (Document 8 and 17). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to section B-4212, B-4222, B-4223, and B-4225 were emergency adopted at the 9/11/87 State Board meeting, with an effective date of 9/11/87 (Documents 12 and 27). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4223 and B-4230 were finally adopted emergency at the 10/2/87 State Board meeting, with an effective date of 10/1/87 (Document 3). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4111 through B-4121, B-4216 through B-4217, B-4224, B-4400 through B-4410, B-4514 through B-4515, and B-4723 through B-4740 were finally adopted following publication at the 10/2/87 State Board meeting, with an effective date of 12/1/87 (Documents 1 and 2). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4100 through B-4110.2 were adopted emergency at the 10/2/87 State Board meeting, with an effective date of 10/1/87 (Document 4). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4100 through B-4110.2 were finally adopted emergency at the 11/6/87 State Board meeting, with an effective date of 10/1/87 (Document 13). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4212 were emergency and final adopted at the 11/6/87 State Board meeting, with an effective date of 11/6/87 (Document 15). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4013, B-4111 through B-4121, B-4224, B-4318 through B-4319, B-4321 through B-4322, B-4410 through B-4425, B-4430, and B-4524 were finally adopted following publication at the 11/6/87 State Board meeting, with an effective date of 1/1/88 (Document 10). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4011 and B-4220 were emergency adopted at the 11/6/87 State Board meeting, with an effective date of 11/6/87 (Documents 16 and 23). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4011 and B-4220 were finally adopted emergency at the 12/4/87 State Board meeting, with an effective date of 11/6/87 (Documents 8 and 9). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4212, B-4221, B-4222 and B-4223 were finally adopted following publication at the 12/4/87 State Board meeting, with an effective date of 2/1/88 (Document 6). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4011, B-4014, B-4200, B-4220 - B-4221, B-4223, B-4242, B-4425, B-4427 - B-4428, B-4430, and B-4540 were finally adopted following publication at the 1/8/88 State Board meeting, with an effective date of 3/1/88 (Documents 6 and 7). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4222.7 through B-4223.2 were adopted emergency at the 2/5/88 State Board meeting (CSPR# 87-12-21-1), with an effective date of 2/5/88. Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4222.7 through B-4223.2 were finally adopted emergency at the 3/4/88 State Board meeting (CSPR# 87-12-21-1), with an effective date of 2/5/88. Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to section B-4222.7 through B-4223 were adopted emergency at the 3/4/88 State Board meeting (CSPR# 88-1-20-1), with an effective date of 3/4/88. Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4222.7 through B-4223 were final adoption of emergency at the 4/1/88 State Board meeting, with an effective date of 3/4/88 (CSPR# 88-1-20-1). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Administrator, Department of Social Services.

Revisions to sections B-4014, B-4015, B-4215, B-4216, B-4220, B-4221, B-4222, B-4225 and B-4319 were finally adopted following publication at the 5/6/88 State Board meeting, with an effective date of 7/1/88 (CSPR# 88-2-12-1). Statement of Basis and Purpose, Fiscal Impact, and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4713 - B-4714 and B-4742 were finally adopted following publication at the 6/3/88 State Board meeting, with an effective date of 8/1/88 (CSPR# 88-3-21-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4316 were adopted emergency at the 6/3/88 State Board meeting, with an effective date of 6/3/88 (CSPR# 88-4-27-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4316 were final adoption of emergency at the 7/8/88 State Board meeting, with an effective date of 6/3/88 (CSPR# 88-4-27-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4011 were finally adopted following publication at the 7/8/88 State Board meeting, with an effective date of 9/1/88 (CSPR# 88-4-20-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4212, B-4215, and B-4222 were final adoption following publication at the 8/5/88 State Board meeting, with an effective date of 10/1/88 (CSPR#'s 88-1-15-2, 88-3-8-1 and 88-5-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services

Revisions to sections B-4100 - B-4110, B-4220, B-4222, B-4223, and B-4225 - B-4230 were emergency adopted at the 9/9/88 State Board meeting, with an effective date of 9/1/88 (CSPR# 88-8-12-2) and effective date of 10/1/88 (CSPR# 88-8-12-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 - B-4110, B-4220, B-4222, B-4223, and B-4225 - B-4230 were final adoption of emergency at the 10/7/88 State Board meeting, with an effective date of 9/1/88 (CSPR# 88-8-12-2) and effective date of 10/1/88 (CSPR# 88-8-12-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections Table of Contents, B-4215, B-4216 and Form. FS-4J were final adoption following publication at the 11/4/88 State Board meeting, with an effective date of 1/1/89 (CSPR#'s 88-6-28-2 and 88-8-24-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4013, B-4215, and B-4216 were emergency adopted at the 12/2/88 State Board meeting, with an effective date of 12/2/88 (CSPR# 88-9-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4013, B-4215, and B-4216 were final adoption of emergency at the 1/6/89 State Board meeting, with an effective date of 12/2/88 (CSPR# 88-9-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4014 and B-4220 - B-4221 were adopted emergency at the 1/6/89 State Board meeting, with an effective date of 1/6/89 (CSPR# 88-11-10-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4014 and B-4220 - B-4221 were final adoption of emergency at the 2/3/89 State Board meeting, with an effective date of 1/6/89 (CSPR# 88-11-10-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4110 - B-4121 and B-4221 were adopted emergency at the 2/3/89 State Board meeting, with an effective date of 2/1/89 (CSPR# 88-12-9-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4110 - B-4121 and B-4221 were final adoption of emergency at the 3/3/89 State Board meeting, with an effective date of 2/1/89 (CSPR# 88-12-9-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010, B-4011, B-4111 - B-4121, B-4212, B-4222, B-4223, B-4318 - B-4319, and forms following section B-4515 were adopted emergency at the 3/3/89 State Board meeting, with an effective date of 3/3/89 (CSPR#'s 88-12-5-1 and 89-1-26-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010, B-4011, B-4111 - B-4121, B-4212, B-4222, B-4223, B-4318 - B-4319, and forms following section B-4515 were final adoption of emergency at the 4/7/89 State Board meeting, with an effective date of 3/3/89 (CSPR#'s 88-12-5-1 and 89-1-26-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4230, and B-4410 were adopted emergency at the 4/7/89 State Board meeting, with an effective date of 5/1/89 (CSPR# 89-3-10-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4230, and B-4410 were final adoption of emergency at the 5/5/89 State Board meeting, with an effective date of 5/1/89 (CSPR# 89-3-10-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4642 through B-4644, B-4713 through B-4716, and B-4812 through B-4820 were adopted emergency at the 6/2/89 State Board meeting, with an effective date of 6/2/89 (CSPR# 89-5-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4642 through B-4644, B-4713 through B-4716, and B-4812 through B-4820 were final adoption of emergency at the 7/7/89 State Board meeting, with an effective date of 6/2/89 (CSPR# 89-5-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4400 through B-4428 and B-4430 were adopted emergency at the 7/7/89 State Board meeting, with an effective date of 7/1/89 (CSPR# 89-4-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4400 through B-4428 and B-4430 were adopted emergency and final at the 8/4/89 State Board meeting, with an effective date of 7/1/89 (CSPR# 89-4-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010, B-4011, B-4100 - B-4110, B-4222 - B-4223, B-4225, B-4242 and B-4518 - B-4519 were adopted emergency at the 8/4/89 State Board meeting, with an effective date of 8/4/89 (CSPR#'s 89-7-14-1 and 89-7-19-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010, B-4011, B-4100 - B-4110, B-4222 - B-4223, B-4225, B-4242 and B-4518 - B-4519 were final adoption of emergency at the 9/8/89 State Board meeting, with an effective date of 8/4/89 (CSPR#'s 89-7-14-1 and 89-7-19-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 - B-4110, B-4220, B-4222 - B-4223, and B-4225 - B-4230 were adopted emergency at the 9/8/89 State Board meeting, with an effective date of 10/1/89 (CSPR# 89-8-11-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 - B-4110, B-4220, B-4222 - B-4223, and B-4225 - B-4230 were final adoption of emergency at the 10/6/89 State Board meeting, with an effective date of 10/1/89 (CSPR# 89-8-11-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4740 - B-4742 were adopted emergency at the 10/6/89 State Board meeting, with an effective date of 10/6/89 (CSPR# 89-8-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4330 - B-4331 and B-4740 - B-4742 were adopted emergency and final at the 11/3/89 State Board meeting, with effective dates of 10/6/89 and 11/3/89 (CSPR# 89-8-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4012, B-4014, B-4015, B-4218 - B-4220 - B-4221, B-4222 - B-4223, B-4230 - B-4242, B-4243 - B-4311, B-4330, B-4331, B-4410, B-4430, and B-4600 - B-4834 were final adoption following publication at the 12/1/89 State Board meeting, with effective dates of 2/1/90 (CSPR#'s 89-7-20-1, 89-9-8-1, and 89-9-21-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4110 through B-4111, B-4213, and B-4311 were adopted emergency at the 1/5/90 State Board meeting, with effective dates of 1/5/90 (CSPR#'s 89-11-7-1 and 89-12-5-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4110 through B-4111, B-4213, and B-4311 were final adoption of emergency at the 2/2/90 State Board meeting, with effective dates of 1/5/90 (CSPR#'s 89-11-7-1 and 89-12-5-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010 - B-4011, B-4221 - B-4223, B-4225, B-4230 - B-4240, B-4242 - B-4311, B-4317, B-4430, and B-4625 - B-4651 were final adoption following publication at the 7/6/90 State Board meeting, with an effective date of 9/1/90 (CSPR# 90-4-17-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4222 and B-4225 were final adoption following publication at the 8/3/90 State Board meeting, with an effective date of 10/1/90 (CSPR# 90-5-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 - B-4110, B-4220, B-4222 - B-4223, and B-4225 - B-4230 were adopted emergency at the 10/5/90 State Board meeting, with an effective date of 10/5/90 (CSPR# 90-8-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, B-4222 through B-4223, and B-4225 through B-4230 were final adoption of emergency at the 11/2/90 State Board meeting, with an effective date of 10/5/90 (CSPR# 90-8-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4013, B-4111 through B-4121, B-4215, and B-4318 through B-4319 were adopted emergency at the 12/7/90 State Board meeting, with an effective date of 12/7/90 (CSPR# 90-10-4-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4013, B-4111 through B-4121, B-4215, and B-4318 through B-4319 were final adoption of emergency at the 1/4/91 State Board meeting, with an effective date of 12/7/90 (CSPR# 90-10-4-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during

normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4430 were adopted emergency at the 1/4/91 State Board meeting, with an effective date of 1/4/91 (CSPR# 90-12-4-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4430 were final adoption of emergency at the 2/1/91 State Board meeting, with an effective date of 1/4/91 (CSPR# 90-12-4-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4213, B-4222, B-4223, B-4225, B-4242, B-4425, and B-4712 through B-4760 were final adoption following publication at the 2/1/91 State Board meeting, with an effective date of 4/1/91 (CSPR# 90-11-6-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4223.61 were adopted emergency at the 2/1/91 State Board meeting, with an effective date of 3/1/91 (CSPR# 90-12-28-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4223.61 were final adoption of emergency at the 3/8/91 State Board meeting, with an effective date of 3/1/91 (CSPR# 90-12-28-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4222, B-4225, and B-4430 were adopted emergency at the 5/3/91 State Board meeting, with an effective date of 5/3/91 (CSPR# 91-3-26-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4222, B-4225, and B-4430 were final adoption of emergency at the 6/7/91 State Board meeting, with an effective date of 5/3/91 (CSPR# 91-3-26-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4430 were final adoption following publication at the 7/12/91 State Board meeting, with an effective date of 9/1/91 (CSPR# 91-4-4-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4222 were adopted emergency at the 7/12/91 State Board meeting, with an effective date of 7/12/91 (CSPR# 91-5-16-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department

of Social Services.

Revisions to section B-4222 were final adoption of emergency at the 8/2/91 State Board meeting, with an effective date of 7/12/91 (CSPR# 91-5-16-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4430 were final adoption following publication at the 8/2/91 State Board meeting, with an effective date of 10/1/91 (CSPR# 91-6-5-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4221, B-4223, and B-4318 through B-4319 were adopted emergency at the 8/2/91 State Board meeting, with an effective date of 8/2/91 (CSPR# 91-6-14-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4221, B-4223, and B-4318 through B-4319 were final adoption of emergency at the 9/6/91 State Board meeting, with an effective date of 8/2/91 (CSPR# 91-6-14-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, B-4222, B-4223, and B-4225 through B-4230 were adopted emergency at the 9/6/91 State Board meeting, with an effective date of 10/1/91 (CSPR# 91-8-13-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, B-4222, B-4223, and B-4225 through B-4230 were final adoption of emergency at the 10/4/91 State Board meeting, with an effective date of 10/1/91 (CSPR# 91-8-13-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4215 were final adoption following publication at the 10/4/91 State Board meeting, with an effective date of 12/1/91 (CSPR# 91-8-12-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4240 were adopted emergency at the 11/1/91 State Board meeting, with an effective date of 11/1/91 (CSPR# 91-8-22-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4240 were final adoption of emergency at the 12/6/91 State Board meeting, with an effective date of 11/1/91 (CSPR# 91-8-22-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4420 were final adoption following publication at the 2/7/92 State Board meeting, with an effective date of 4/1/92 (CSPR# 91-11-13-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4212, B-4213 - B-4214, B-4221, B-4222, B-4223, B-4225 - B-4230 and B-4318 were adopted emergency at the 2/7/92 State Board meeting, with an effective date of 2/1/92 (CSPR# 91-12-17-1); to sections B-4215 and B-4222, with an effective date of 2/7/92 (CSPR# 91-12-10-1); and, to section B-4223, with an effective date of 3/1/92 (CSPR# 91-12-30-3). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4215 and B-4222 were final adoption of emergency at the 3/6/92 State Board meeting, with an effective date of 2/7/92 (CSPR# 91-12-10-1); and, to section B-4223, with an effective date of 3/1/92 (CSPR# 91-12-30-3). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4430 were final adoption following publication at the 3/6/92 State Board meeting, with an effective date of 5/1/92 (CSPR# 91-12-16-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4111 through B-4121, B-4216 through B-4217, B-4222, B-4225, and B-4430 were adopted emergency at the 3/6/92 State Board meeting, with an effective date of 3/6/92 (CSPR# 92-1-8-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011, B-4212, B-4214, B-4221, B-4222, B-4223, B-4230 and B-4318 were adopted emergency and final at the 4/3/92 State Board meeting, with an effective date of 2/1/92 and 4/3/92 (CSPR# 91-12-17-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4111 through B-4121, B-4216 through B-4217, B-4222, B-4225, and B-4430 were final adoption of emergency at the 4/3/92 State Board meeting, with an effective date of 3/6/92 (CSPR# 92-1-8-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4013, B-4222 through B-4223, and B-4225 were adopted emergency at the 6/5/92 State Board meeting, with an effective date of 6/5/92 (CSPR#'s 92-4-9-1 and 92-4-29-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4013, were final adoption of emergency at the 7/10/92 State Board meeting, with an effective date of 6/5/92 (CSPR# 92-4-9-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department

of Social Services.

Revisions to section B-4430 were final adoption following publication at the 8/7/92 State Board meeting, with an effective date of 10/1/92 (CSPR# 92-5-6-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4215 and B-4222 were final adoption following publication at the 9/4/92 State Board meeting, with an effective date of 11/1/92 (CSPR# 92-6-18-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, and B-4222 through B-4223 were adopted emergency at the 10/2/92 State Board meeting, with an effective date of 10/1/92 (CSPR# 92-8-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, and B-4222 through B-4223 were final adoption of emergency at the 11/6/92 State Board meeting, with an effective date of 10/1/92 (CSPR# 92-8-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010, B-4213, B-4215, B-4222, and B-4223 were final adoption following publication at the 3/5/93 State Board meeting, with an effective date of 5/1/93 (CSPR# 92-11-20-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4240.1 were adopted emergency at the 4/2/93 State Board meeting, with an effective date of 4/2/93 (CSPR# 93-2-23-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4240.1 were final adoption of emergency at the 5/7/93 State Board meeting, with an effective date of 4/2/93 (CSPR# 93-2-23-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4215 through B-4216 were final adoption following publication at the 5/7/93 State Board meeting, with an effective date of 7/1/93 (CSPR# 93-2-3-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011 and B-4220 were adopted emergency at the 6/4/93 State Board meeting, with an effective date of 6/4/93 (CSPR# 93-4-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011 and B-4220 were final adoption of emergency at the 7/9/93 State Board meeting, with an effective date of 6/4/93 (CSPR# 93-4-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4011 were final adoption following publication at the 7/9/93 State Board meeting, with an effective date of 9/1/93 (CSPR# 93-3-25-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4222 were adopted emergency at the 7/9/93 State Board meeting, with an effective date of 7/1/93 (CSPR# 93-6-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4222 were final adoption of emergency at the 8/6/93 State Board meeting, with an effective date of 7/1/93 (CSPR# 93-6-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010, B-4013, B-4213, B-4215, B-4216, B-4221, B-4223, B-4230 - B-4240, B-4242, B-4318 - B-4319, B-4410, B-4430, B-4612 - B-4651, B-4660 - B-4662, and B-4712 - B-4760 were final adoption following publication at the 8/6/93 State Board meeting, with an effective date of 10/1/93 (CSPR# 93-5-17-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011 and B-4632 were adopted emergency at the 9/10/93 State Board meeting, with an effective date of 9/10/93 (CSPR# 93-7-21-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4011 and B-4632 were final adoption of emergency at the 10/1/93 State Board meeting, with an effective date of 9/10/93 (CSPR# 93-7-21-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4218 through B-4220 were final adoption following publication at the 10/1/93 State Board meeting, with an effective date of 12/1/93 (CSPR# 93-8-18-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4400 through B-4410 and B-4425 were adopted emergency and final at the 10/1/93 State Board meeting, with an effective date of 10/1/93 (CSPR# 93-6-4-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, B-4222 through B-4223, and B-4225 through B-4230 were adopted emergency at the 10/1/93 State Board meeting, with an effective date of 10/1/93 (CSPR# 93-8-16-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4100 through B-4110, B-4220, B-4222 through B-4223, and B-4225 through B-4230 were adopted emergency and final at the 11/5/93 State Board meeting, with effective date of 10/1/93 and 11/5/93 (CSPR# 93-8-16-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to section B-4430 were final adoption following publication at the 2/4/94 State Board meeting, with an effective date of 4/1/94 (CSPR# 93-11-16-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4222, B-4224, B-4672 through B-4676, B-4694, and B-4704 through B-4760 were adopted emergency at the 2/4/94 State Board meeting, with an effective date of 4/1/94 (CSPR# 93-10-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4222, B-4224, B-4672 through B-4676, B-4694, and B-4704 through B-4760 were adopted emergency and final at the 3/4/94 State Board meeting, with an effective date of 4/1/94 (CSPR# 93-10-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4000 - B-4010, B-4011, B-4013, B-4216 - B-4218, B-4220, B-4221, B-4222, B-4230 - B-4240, and B-4242 were final adoption following publication at the 3/4/94 State Board meeting, with an effective date of 5/1/94 (CSPR# 93-10-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4010 and B-4223 were final adoption following publication at the 5/6/94 State Board meeting, with an effective date of 7/1/94 (CSPR#'s 94-1-20-1 and 94-3-3-3). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Revisions to sections B-4215, B-4222 - B-4223, B-4225, and B-4430 were final adoption following publication at the 6/3/94 State Board meeting, with an effective date of 8/1/94 (CSPR# 94-2-23-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of the State Board Liaison, Department of Social Services.

Deletion of forms, including sections B-4500 and B-4900, were final adoption following publication at the 7/8/94 State Board meeting, with an effective date of 9/1/94 (CSPR# 94-3-22-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4012, B-4100 - B-4110, B-4213 - B-4214, B-4215, B-4222, B-4223, B-4225, B-4317, and B-4427 were adopted emergency at the 8/5/94 State Board meeting, with an effective date of 9/1/94 (CSPR# 94-6-8-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4012, B-4100 - B-4110, B-4213 - B-4214, B-4215, B-4222, B-4223, B-4225, B-4317, and B-4427 were adopted emergency and final at the 9/9/94 State Board meeting, with an effective date of 9/1/94 (CSPR# 94-6-8-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4110, B-4220, B-4222, and B-4225 through B-4230 were adopted emergency at the 9/9/94 State Board meeting, with an effective date of 10/1/94 (CSPR# 94-7-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4110, B-4220, B-4222, and B-4225 through B-4230 were final adoption of emergency at the 10/7/94 State Board meeting, with an effective date of 10/1/94 (CSPR# 94-7-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4010, B-4011, B-4222, B-4225, B-4318 - B-4319, B-4425, B-4430, and B-4695 - B-4711 were final adoption following publication at the 11/4/94 State Board meeting, with an effective date of 1/1/95 (CSPR#'s 94-7-21-1, and 94-8-26-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4010 - B-4214, B-4216 - B-4220, B-4222, B-4223 - B-4225, B-4230 - B-4240, B-4242, B-4314 - B-4316, B-4318 - B-4410, B-4425 - B-4428, and B-4430 - B-4770 were final adoption following publication at the 3/3/95 State Board meeting, with an effective date of 5/1/95 (CSPR# 94-12-1-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4223 were final adoption following publication at the 5/5/95 State Board meeting, with an effective date of 7/1/95 (CSPR# 95-2-3-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4100 - B-4110, B-4220, and B-4223 - B-4230 were adopted emergency at the 10/6/95 State Board meeting, with an effective date of 10/1/95 (CSPR# 95-8-31-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100 - B-4110, B-4220, and B-4223 - B-4230 were adopted emergency and final at the 11/3/95 State Board meeting, with effective dates of 10/1/95 and 12/1/95 (CSPR# 95-8-31-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4215 through B-4220, B-4240 through B-4242, B-4321 through B-4322, B-4410, B-4425, B-4633 through B-4640, B-4660 through B-4662, and B-4695 through B-4698 were final adoption following publication at the 1/5/96 State Board meeting, with an effective date of 3/1/96 (CSPR# 95-10-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4425 through B-4427 were final adoption following publication at the 2/2/96 State Board meeting, with an effective date of 4/1/96 (CSPR# 95-11-29-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4222 and B-4225 were final adoption following publication at the 7/12/96 State Board meeting, with an effective date of 9/1/96 (CSPR# 96-4-11-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4100 through B-4110, B-4214, B-4220, B-4222 through B-4230, and B-4317 through B-4318 were adopted emergency at the 10/4/96 State Board meeting, with an effective date of 10/1/96 (CSPR# 96-8-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4100 through B-4110, B-4214, B-4220, B-4222 through B-4230, and B-4317 through B-4318 were final adoption of emergency at the 11/8/96 State Board meeting, with an effective date of 10/1/96 (CSPR# 96-8-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions/additions to sections B-4010, B-4430, B-4600 through B-4612, B-4625 through B-4651, and B-4800 were final adoption following publication at the 12/6/96 State Board meeting, with an effective date of 2/1/97 (CSPR# 96-9-11-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4215 were adopted emergency at the 12/6/96 State Board meeting, with an effective date of 12/6/96 (CSPR# 96-10-21-1) and sections B-4010, B-4012, B-4111 through B-4121, B-4212, B-4222 through B-4223, B-4321 through B-4322, B-4425, and B-4430 were adopted emergency at the 12/6/96 State Board meeting, with an effective date of 1/1/97 (CSPR#'s 96-10-7-1 and 96-11-20-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4215 were adopted emergency and final at the 1/3/97 State Board meeting, with an effective date of 12/6/96 (CSPR# 96-10-21-1) and sections B-4010, B-4012, B-4111 through B-4121, B-4212, B-4222 through B-4223, B-4321 through B-4322, B-4425, and B-4430 were adopted emergency and final at the 1/3/97 State Board meeting, with an effective date of 1/1/97 (CSPR#'s 96-10-7-1 and 96-11-20-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4010, B-4430, B-4600 to B-4612, B-4625 through B-4651, and B-4800 were re-promulgated as final adoption following publication at the 3/7/97 State Board meeting, with an effective

date of 5/1/97 (CSPR# 96-9-11-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4013, B-4215, B-4216, B-4223 through B-4225, and B-4430 were final adoption following publication at the 6/6/97 State Board meeting, with an effective date of 8/1/97 (CSPR# 97-4-3-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4400 through B-4410 were adopted emergency at the 6/20/97 State Board meeting, with an effective date of 7/1/97 (CSPR# 97-5-16-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4400 through B-4410 were adopted emergency and final at the 8/1/97 State Board meeting, with effective dates of 7/1/97 and 8/1/97 (CSPR# 97-5-16-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4010, B-4215, B-4222, B-4225, and B-4427 through B-4430 were final adoption following publication at the 10/3/97 State Board meeting, with an effective date of 12/1/97 (CSPR# 97-7-2-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100 through B-4111, B-4220, and B-4225 through B-4230 were adopted emergency at the 10/3/97 State Board meeting, with an effective date of 10/1/97 (CSPR# 97-9-4-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100 through B-4111, B-4220, and B-4225 through B-4230 were final adoption of emergency at the 11/7/97 State Board meeting, with an effective date of 10/1/97 (CSPR# 97-9-4-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4212 and B-4321 were adopted emergency at the 11/7/97 State Board meeting, with an effective date of 11/7/97 (CSPR# 97-9-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4212 and B-4321 were final adoption of emergency at the 12/5/97 State Board meeting, with an effective date of 11/7/97 (CSPR# 97-9-15-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4111 - B-4121, B-4212 - B-4213, B-4215, B-4222, B-4225, B-4321 through B-4322, and B-4430 were final adoption following publication at the 2/6/98 State Board meeting, with an effective date of 4/1/98 (CSPR# 97-11-20-1). Statement of Basis and Purpose and specific statutory

authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4430 were final adoption following publication at the 5/1/98 State Board meeting, with an effective date of 7/1/98 (CSPR# 98-1-27-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100, B-4220, B-4223 and B-4230 were adopted emergency at the 10/2/98 State Board meeting, with an effective date of 10/1/98 (CSPR# 98-8-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4212 were adopted emergency at the 10/2/98 State Board meeting, with an effective date of 11/1/98 (CSPR# 98-8-24-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100, B-4220, B-4223 and B-4230 were final adoption of emergency at the 11/6/98 State Board meeting, with an effective date of 10/1/98 (CSPR# 98-8-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to section B-4212 were final adoption of emergency at the 11/6/98 State Board meeting, with an effective date of 11/1/98 (CSPR# 98-8-24-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4111, B-4212, B-4215 through B-4217, B-4220, B-4222 - B-4225, and B-4240 were final adoption following publication at the 11/6/98 State Board meeting, with an effective date of 1/1/99 (CSPR# 98-8-3-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100, B-4220, and B-4230 were adopted emergency at the 9/3/99 State Board meeting, with an effective date of 10/1/99 (CSPR# 99-8-17-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4100, B-4220, and B-4230 were final adoption of emergency at the 10/1/99 State Board meeting, with an effective date of 10/1/99 (CSPR# 99-8-17-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of External Affairs, Department of Human Services.

Revisions to sections B-4011, B-4214, B-4220, B-4221, B-4223, B-4240, B-4242, B-4321 B-4672, B-4694, B-4704, B-4733, and B-4770 were final adoption following publication at the 4/7/2000 State Board meeting, with an effective date of 6/1/2000 (CSPR# 99-12-6-1). Statement of Basis and Purpose and

specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Office of Public Affairs, Department of Human Services.

Revisions to sections B-4100, B-4220, B-4223, and B-4230 were adopted emergency at the 9/8/2000 State Board meeting, with an effective date of 10/1/2000 (CSPR# 00-8-4-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to sections B-4100, B-4220, B-4223, and B-4230 were final adoption of emergency at the 10/6/2000 State Board meeting, with an effective date of 10/1/2000 (CSPR# 00-8-4-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to sections B-4242.11 to B-4242.12 were final adoption following publication at the 11/3/2000 State Board meeting, with an effective date of 1/1/2001 (CSPR# 00-8-17-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to sections B-4224.4 and B-4225 were final adoption following publication at the 12/1/2000 State Board meeting, with an effective date of 2/1/2001 (CSPR# 00-9-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revision to section B-4223.5 was adopted as emergency at the 2/2/2001 State Board meeting, with an effective date of 3/1/2001 (CSPR# 01-1-10-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revision to section B-4223.5 was final adoption of emergency rule at the 3/2/2001 State Board meeting, with an effective date of 3/1/2001 (CSPR# 01-1-10-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4224.4 through B-4225.6 were final adoption following publication at the 4/6/2001 State Board meeting, with an effective date of 6/1/2001 (CSPR# 01-1-22-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4011.2, B-4242.11, B-4242.21 and B-4242.33 were final adoption following publication at the 5/4/2001 State Board meeting, with an effective date of 7/1/2001 (CSPR# 01-2-26-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours

at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4224, B-4225 and B-4430 were final adoption following publication at the 7/6/2001 State Board meeting, with an effective date of 9/1/2001 (CSPR# 01-4-16-1 and 01-4-26-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Section B-4223.51 were adopted emergency at the 7/6/2001 State Board meeting, with an effective date of 7/6/2001 (CSPR# 01-5-22-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Section B-4223.51 were final adoption of emergency rule at the 8/3/2001 State Board meeting, with an effective date of 7/6/2001 (CSPR# 01-5-22-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4010 - B-4012, B-4100 - B-4112, B-4212 - B-4213, B-4221 - B-4223, B-4230 - B-4240, B-4243 - B-4316, and B-4321 - B-4322 were final adoption following publication at the 9/7/2001 State Board meeting, with an effective date of 11/1/2001 (CSPR# 01-2-21-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220, B-4223.5, and B-4230 were adopted on an emergency basis at the 9/7/2001 State Board meeting, with an effective date of 10/1/2001 (CSPR# 01-8-8-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220, B-4223.5, and B-4230 were adopted on as emergency and final at the 10/5/2001 State Board meeting, with an effective date of 10/5/2001 (CSPR# 01-8-8-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4224.2, B-4224.4, B-4225.11, B-4225.4 through B-4225.63, B-4225.9, and addition of B-4242.34 through B-4242.343 were final adoption following publication at the 4/5/2002 State Board meeting, with an effective date of 6/1/2002 (CSPR#s 01-12-20-1 and 01-12-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4011.3, B-4011.4, B-4011.52, B-4215.45, B-4215.6, B-4217.1, B-4221.13, B-4222.7, B-4240.1, B-4242.2, B-4314.1, B-4318, B-4318.4, B-4319.1, B-4330.1, B-4430.21, and B-4430.22 were adopted following publication at the 7/12/2002 State Board meeting, with an effective date of

9/1/2002 (CSPR# 01-12-28-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220.11, B-4220.12, B-4223.5, and B-4230 were adopted as emergency at the 9/6/2002 State Board meeting, with an effective date of 10/1/2002 (CSPR#01-8-9-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4212.3, B-4223.1, B-4223.6, B-4224, B-4242.342, and B-4242.343 were adopted as emergency at the 10/4/2002 State Board meeting, with an effective date of 10/1/2002 (CSPR# 01-7-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220.11, B-4220.12, B-4223.5, and B-4230 were final adoption of emergency rules at the 11/1/2002 State Board meeting, with an effective date of 10/1/2002 (CSPR# 01-8-9-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4212.3, B-4223.1, B-4223.6, B-4224, B-4242.342, and B-4242.343 were adopted as emergency and final at the 11/1/2002 State Board meeting, with an effective date of 10/1/2002 (CSPR# 01-7-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4215.42, B-4215.72, B-4215.73, and B-4242.11 were adopted following publication at the 2/7/2003 State Board meeting, with an effective date of 4/1/2003 (Rule-making #02-11-14-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4111.2, B-4111.6, B-4212.3, B-4215.2, B-4222.3, B-4240, B-4240.1, B-4242.11, B-4314.1, B-4319, B-4319.1, and B-4321.1 were adopted following publication at the 6/6/2003 State Board meeting, with an effective date of 8/1/2003 (Rule-making #03-2-10-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4215.45, B-4242, and B-4242.11 were adopted following publication at the 9/5/2003 State Board meeting, with an effective date of 11/1/2003 (Rule-making# 03-6-27-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220.11, B-4220.12, B-4223.5, and B-4230 were adopted as emergency

at the 10/3/2003 State Board meeting, with an effective date of 10/1/2003 (Rule-making# 03-8-13-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement Boards and Commissions Division, State Board Administration.

Revisions to Section B-4223.51 were final adoption of emergency at the 1/9/2004 State Board meeting, with an effective date of 1/1/2004 (Rule-making# 03-11-14-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Section B-4230.1 were adopted following publication at the 3/5/2004 State Board meeting, with an effective date of 5/1/2004 (Rule-making# 03-8-28-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220.11, B-4220.12, B-4223.5, B-4223.51, and B-4230 were adopted as emergency at the 10/1/2004 State Board meeting, with an effective date of 10/1/2004 (Rule-making# 04-8-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4100, B-4220.11, B-4220.12, B-4223.5, B-4223.51, and B-4230 were adopted as final emergency rules at the 11/5/2004 State Board meeting, with an effective date of 10/1/2004 (Rule-making# 04-8-25-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Section B-4223.51 were adopted as emergency at the 2/3/2006 State Board meeting, with an effective date of 3/1/2006 (Rule-making# 06-1-10-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Section B-4223.51 were final (permanent) adoption of emergency rules at the 3/3/2006 State Board meeting, with an effective date of 3/1/2006 (Rule-making# 06-1-10-2). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Office of Performance Improvement, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4010, B-4010.1, B-4010.11, B-4011.21, B-4100, B-4220.11, B-4220.12, B-4222.7, B-4223, B-4223.1, B-4223.4, B-4223.5, B-4223.51, B-4224.1, B-4224.2, B-4224.3, B-4225.5, B-4230, and B-4242.11 were adopted as emergency at the 9/5/2008 State Board meeting, with an effective date of 10/1/2008 (Rule-making# 08-8-12-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Boards and Commissions Division, State Board Administration.

Revisions to Sections B-4010, B-4010.1, B-4010.11, B-4011.21, B-4100, B-4220.11, B-4220.12, B-4222.7, B-4223, B-4223.1, B-4223.4, B-4223.5, B-4223.51, B-4224.1, B-4224.2, B-4224.3, B-4225.5, B-4230, and B-4242.11 were final (permanent) adoption of emergency rules at the at the 10/3/2008 State Board meeting, with an effective date of 12/1/2008 (Rule-making# 08-8-12-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Boards and Commissions Division, State Board Administration. [Eff. 12/1/2008]

Revisions to Sections B-4010.11 and B-4230 were adopted on an emergency basis at the 3/6/2009 State Board meeting, with an effective date of 4/1/2009 (Rule-making# 09-3-3-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Division of Boards and Commissions, State Board Administration.

Revisions to Sections B-4010.11 and B-4230 were final (permanent) adoption of emergency rules at the 5/1/2009 State Board meeting, with an effective date of 7/1/2009 (Rule-making# 09-3-3-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Division of Boards and Commissions, State Board Administration.

Revisions to Sections B-4242 through B-4242.1 and B-4242.12 through B-4242.13 were final adoption following publication at the 1/8/2010 State Board meeting, with an effective date of 3/2/2010 (Rule-making# 09-10-20-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Division of Boards and Commissions, State Board Administration.

Revisions to Sections B-4011.1 through B-4011.11, B-4011.131 through B-4011.136, B-4011.22 through B-4011.23, B-4011.3, B-4220 through B-4220.12, B-4224, B-4230.1, B-4242.11 through B-4242.13, B-4430.11, B-4430.2 through B-4430.22 were final adoption following publication at the 12/3/2010 State Board meeting, with an effective date of 2/1/2011 (Rule-making# 10-7-19-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Division of Boards and Commissions, State Board Administration.

Revisions to Sections B-4222.8, B-4223, and B-4225.7 were adopted on an emergency basis at the 6/10/2011 State Board meeting, with an effective date of 6/10/2011 (Rule-making# 11-4-26-1). Statement of Basis and Purpose and specific statutory authority for these revisions were incorporated by reference into the rule. These materials are available for review by the public during normal working hours at the Colorado Department of Human Services, Division of Boards and Commissions, State Board Administration.

B-4000 FOOD STAMP PROGRAM

B-4010 GENERAL PROVISIONS [Eff. 12/01/2008]

This material sets forth rules, policies and procedures concerned with eligibility determination and certification of persons who apply to participate in the Food Stamp Program, and, if determined eligible, the requirements concerning the use of food stamps. The rules and regulations herein are promulgated in accordance with program regulations of the United States Department of Agriculture (USDA), 7 CFR 271–274 (2008), as amended, and the State Plan of Operation. The rules contained in this manual do not include any later amendments to or editions of the incorporated material. Copies of 7 CFR Parts 271 through 274 are available for inspection during normal working hours or by contacting: Director, Food Assistance Programs Division, Colorado Department of Human Services, 1575 Sherman Street, Denver, Colorado 80203.

B-4010.1 PURPOSE [Eff. 12/01/2008]

The purpose of the Food Stamp program as expressed by the United States Congress in Section 2 of the Food and Nutrition Act of 2008, Public Law No. 110-246 (codified at 7 USC 2011), is as follows:

“It is declared to be the policy of Congress, in order to promote the general welfare, to safeguard the health and well-being of the Nation’s population by raising levels of nutrition among low-income households. Congress hereby finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation’s agricultural abundance and will strengthen the Nation’s agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a food stamp program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation.”

B-4010.11 REDUCTION, SUSPENSION OR CANCELLATION PROCEDURES [Eff. 07/01/2009]

The Food and Nutrition Act of 2008 directs the Secretary of Agriculture to reduce, suspend or cancel food stamp benefits if it is necessary to keep program spending within the limits set by Congress. Upon notification from FNS, the State Office shall instruct food stamp offices to reduce, suspend or cancel food stamp benefits for one or more months. Food stamp offices shall take immediate action in accordance with the following procedures:

A. Reduction of benefits

If the State Office instructs the food stamp offices to reduce monthly food stamp allotments, the State shall notify the food stamp offices of the date the reduction is to take effect. If an allotment reduction is necessary, allotments shall be reduced for each household size by the same percentage. If a benefit reduction is necessary, all households shall be guaranteed a minimum allotment allowed for one and two person households, unless the reduction is ninety percent or more. Revised issuance tables reflecting the percentage of reduction shall be provided to all food stamp offices.

The food stamp offices will adjust allotments at the point of issuance. If an FS-9 (household issuance record) system is utilized, the county/state issuance offices shall record, in the certification data section of the FS-9 Card, the coupon allotment that the household was eligible to receive. The food stamp issuance office shall record, in the record of issuance section of Form FS-9, the coupon allotment that the household was issued. This will provide record of benefits household was entitled to receive and benefits the household actually received under required benefit reduction.

B. Suspension and Cancellation

If the State Office instructs the food stamp offices to suspend or cancel Food Stamp Program Benefits, the food stamp offices shall be informed of the date that the suspension or cancellation shall take effect. Upon receipt of this date, the counties shall take immediate action to effect the suspension or cancellation. This action shall include notification of certification and issuance personnel, as well as eligible households (see B-4010.15). In the event that cancellation or suspension of benefits is necessary, the provision for the minimum benefit level shall be disregarded and all households shall have their benefits suspended or cancelled.

If allotments are cancelled or suspended, food stamp offices shall record, in the certification data section of the FS-9 Card, the monthly allotment the household was entitled to receive.

B-4010.12 AFFECTED ALLOTMENTS

Whenever suspension or cancellation of allotments is ordered for a particular month, it shall affect all households. If a reduction is ordered, reduced benefits shall be calculated for all households for the designated month. However, all households shall be guaranteed a minimum allotment of \$10 for one or two person households, unless the reduction is ninety percent or more.

Allotments or portions of allotments representing restored or retroactive benefits for a prior unaffected month would not be reduced, suspended or cancelled, even though they are issued during a month in which cancellation, suspension or reduction is in effect.

B-4010.13 NOTIFICATION TO HOUSEHOLDS

Reduction, cancellation or suspension shall be considered a mass change and shall not require advance notice of adverse action; however, the household shall be notified by announcements through the news media or a general notice may be handed out or mailed to affected recipient households.

B-4010.14 RESTORATION OF CANCELLED OR REDUCED BENEFITS

Households whose allotments are reduced or cancelled as a result of the enactment of these procedures are not entitled to the restoration of the lost benefits at a later date unless surplus funds are remaining after the reduction or cancellation. These surplus funds may be restored to affected households, if a directive is issued by the Secretary of Agriculture. In the event of the issuance of a directive to issue restored benefits, the food stamp office must work promptly to issue them.

In any event, food stamp office shall have issuance services to serve households receiving restored or retroactive benefits for a prior, unaffected month.

B-4010.15 EFFECTS OF REDUCTION, SUSPENSIONS AND CANCELLATIONS ON THE CERTIFICATION OF ELIGIBLE HOUSEHOLDS

In the event that cancellation, suspension or reduction is ordered by the state, the following shall apply:

- A. Determinations of eligibility of applicant households shall not be affected.
- B. Food stamp offices shall continue to accept and process applications in accordance with standard certification procedures.
- C. If a reduction of program benefits is in effect, and an applicant is found to be eligible, the amount of benefits will be determined by using the revised issuance tables and recorded in accordance with provisions in the section on REDUCTION, CANCELLATION, OR SUSPENSION PROCEDURES, second paragraph of item A.
- D. If reduction or suspension of program benefits is in effect, and a household is found to be eligible for expedited service application processing, the application will be processed in accordance with procedures in the section EXPEDITED SERVICE. If a cancellation of program benefits is in effect, households shall receive expedited service; however, the deadlines for completing the processing shall be the end of the month of application or five calendar days, whichever date is later.
- E. If an applicant household is found to be eligible for benefits while a suspension or cancellation is in effect, no benefits shall be issued to the applicant household. However allotment levels shall be calculated and recorded on Form FS-9 in accordance with the section on REDUCTION, CANCELLATION OR SUSPENSION PROCEDURES.
- F. Reduction, suspension or cancellation of allotments shall have no effect on certification periods

assigned to households prior to the reduction, suspension or cancellation of the program.

G. Participating households whose certification periods expire during a month in which allotments have been reduced, suspended or cancelled, shall be recertified in accordance with normal procedures.

H. Households found eligible to participate during a month in which allotments have been reduced, suspended, or cancelled, shall have certification periods assigned in accordance with the section CERTIFICATION PERIOD GUIDELINES.

B-4010.16 FAIR HEARINGS

Any household that had its allotment reduced, suspended or cancelled, as a result of implementation of the procedures for reduction, suspension, or cancellation may request a fair hearing. If it disagrees with the action. However the household does not have a right to continuation of benefits. A household may receive retroactive benefits if it is determined that its benefits were reduced by more than the amount the food stamp offices were directed to reduce benefits.

The Office of Appeals shall be allowed to deny fair hearings to those households that are merely disputing the fact that a statewide reduction, cancellation, or suspension was ordered. The Office of Appeals is not required to hold a fair hearing unless the request is based on a household's belief that its benefit level was computed incorrectly under these rules or that the rules were misapplied.

B-4010.2 PURCHASE OF FOOD

The household may use its coupons or electronic point of sale (POS) terminals in grocery stores that are authorized by Food and Consumer Service (FCS) to accept benefits. A household may purchase any food or food product for human consumption including seeds and plants for use in gardens to produce food for personal consumption by the eligible household. Households shall not use benefits for alcoholic beverages, tobacco and hot food, including hot food products prepared by the retailer and sold at above room temperature for immediate consumption.

Specified persons may use their coupons or electronic benefits to purchase meals from an FCS approved meal delivery service or meals from a communal dining facility for the elderly and/or SSI households or an authorized drug or alcohol treatment and rehabilitation center or an authorized public or private, nonprofit group living arrangement facility or from a shelter for battered women and children.

Homeless food stamp households shall be permitted to use their coupons or electronic benefits to purchase prepared meals from an authorized public or private nonprofit provider for homeless persons. A meal provider for homeless persons means a public or private non-profit establishment (e.g., soup kitchen, temporary shelter, etc) which feeds homeless persons and has been approved by the State Food Assistance section.

Homeless households may also purchase meals from restaurants which have been approved by the state Food Assistance Office. The restaurant must serve food at concessional (reduced) prices or provide discounts to homeless households and must be authorized by the USDA, Food and Consumer Service, as a retailer.

The recipient must use his coupons or electronic benefits to pay for food currently purchased. They cannot be used to pay for foods previously or subsequently secured or to pay back bills owed the grocer. The only exceptions are that food coupons may be used to pay for food items such as milk or bakery goods that are delivered to the home on a regular basis, or for advance payment to a non-profit cooperative food venture when food purchased is to be delivered at a later date.

The current coupon denominations are accepted at authorized grocery stores for eligible food items. Old

coupon denominations, issued before March 1975, are not redeemable in stores and shall be exchanged for current series coupons, upon the recipient's request, at the food stamp issuance office (see B-4810 3)

B-4010.3 FEDERAL AND STATE AND COUNTY REQUIREMENTS

The food stamp program shall be administered in every county of the State in accordance with the Colorado Human Services Code and these rules.

The program shall be administered by the county departments of social/human services unless the State Department enters into a written agreement with a particular county to have a State administered program in that county. As a condition for receiving grants in aid from the state for public assistance and welfare activities, each county must bear the proportion of the total administrative and program costs for all assistance payments and social services activities as required by Section 26-1-122, C.R.S.

County departments of social services shall comply with all requirements concerning security and case processing for the Colorado Automated Food Stamp System.

B-4010.31 COMPLIANCE WITH STATE REQUIREMENTS

If a county does not comply with the rules of the State Department which require the establishment of a food stamp program in each county and the payment of the county's share of the cost of that program, and which govern the administration of the program, the State Department may do one or more of the following:

- A. Utilize the remedies described in 26-1-109(4)(a-e), C.R.S. (1973), as amended.
- B. Recover all or part of the county share of the cost of the food stamp program by reducing any other grant-in-aid to the county for public assistance or welfare purposes by a corresponding amount.
- C. Recommend that the State Board of Social Services adopt a resolution pursuant to 24-4-101, et seq., C.R.S. (1973), ordering a county to comply with the Department's rules. If the county does not comply, judicial enforcement of the order may be pursued under 24-4-106(3) and 24-31-101(1) (a), C.R.S. (1973).
- D. Take any other appropriate action to enforce compliance with the rules governing the Food Stamp Program.

B-4010.311 FEDERAL SANCTIONS

If FNS determines that there has been negligence or fraud involved in the certification of applicant households, the state agency shall, on demand, following exhaustion of its appellate rights, pay to FNS, a sum equal to the amount of coupons issued as a result of such negligence or fraud. FNS claims against state agencies may be as a result of financial losses involved in the acceptance, storage, and issuance of coupons, charges of negligence, and disallowance of federal funds for state agency failure of operation. The provisions for determining and establishing a claim against state agencies or the disallowance of federal funds are contained in CFR parts 276.3 and 276.6. If county administration has resulted in the FNS finding of negligence or fraud, a claim for the amount of loss will subsequently be made against the responsible food stamp agency.

B-4010.32 REPORTING LAWSUITS

FNS regulations require prompt notification from the State Department of any lawsuits involving the administration of the Food Stamp Program.

As all county food stamp programs are administered under the supervision of the State Department, it is

mandatory that all legal proceedings involving the Food Stamp Program be brought to the attention of the State Office immediately for notification to FNS, U.S.D.A.

B-4010.4 PROGRAM REVIEWS

B-4010.41 CIVIL RIGHTS AND GROCER REVIEWS

The FNS field office located in the Denver area conducts statewide civil rights reviews of food stamp offices. The FNS field office is also responsible for authorizing grocery stores to accept food coupons and enforcing grocer compliance of program rules.

B-4010.42 QUALITY ASSURANCE REVIEWS

Quality assurance reviews are federally mandated to provide:

(1) a systematic method of measuring the validity of the food stamp caseload; (2) a basis for determining error rates; (3) a timely continuous flow of information on which to base corrective action at all levels of administration; and, (4) a basis for establishing liability for errors that exceed the federal error rate target and the state's eligibility for enhanced funding. The reviews are conducted during the annual federal quality assurance review period, which is the 12-month period from October 1 of each calendar year through September 30 of the following calendar year. A statistically random sample of households is selected at the state office from two different categories: households which are participating in the food stamp program (active cases) and households for which participation was denied or terminated (negative cases). Reviews are conducted on active cases to determine if the household is eligible and, if eligible, whether the household is receiving the correct allotment of food stamps. Reviews of negative cases are conducted to determine if households which were denied or terminated were, in fact, not eligible to participate in the food stamp program.

An "active case" means a household which was certified prior to or during the sample month and issued food stamp benefits for the sample month. The review of an active case includes: a household case record review, a field investigation, an error analysis, and the reporting of review findings.

A "negative case" means a household which was denied certification to receive food stamps in the sample month or which had its participation in the food stamp program terminated during a certification period effective for the sample month. The review of a negative case includes: a household case record review, an error analysis, and the reporting of review findings.

B-4010.421 QUALITY ASSURANCE REVIEW PROCEDURES

- A. Each month a random sample of active and negative cases is selected for quality assurance review. Sampling of both active and negative cases is accomplished through the master file from the Colorado Automated Food Stamp System (CAFSS).
- B. Case records for the monthly selected sample may be reviewed by Quality Assurance in the local food stamp office, or the office may be requested to forward the case records to the appropriate State Quality Assurance office for review prior to home visits and verification of eligibility factors.
- C. When the food stamp office receives a request for one or more cases for quality assurance review, the following steps shall be taken in preparing the case record:
 1. All forms and notes pertinent to movement and change in the case and actions taken by the food stamp office since the last recording shall be included in the case record.
 2. The case record is either made available for the Quality Assurance reviewer in the food stamp office or is mailed to the appropriate State Quality Assurance office.

- D. The active and negative case records selected for review are analyzed and evaluated for conformity to the policies and procedures set forth in federal regulations and in state rules. The focus of the active review is on testing eligibility and correctness of allotment for the sample month and whether the documentation in the case file supports the eligibility determination. The focus of the negative review is to verify through the documentation in the case file whether the reason given by the food stamp office for the denial or termination was correct or if any other reason for denial or termination can be supported by the case file documentation.
- E. Full field investigations are conducted by the reviewer for all selected active cases. Clients are ordinarily visited in their own homes. During the interview the reviewer shall explore with the household circumstances as they affect each factor of eligibility and basis of issuance; establish the composition of the household; obtain documentary evidence; secure information about collateral sources of verification; and obtain names of collateral contacts. All information gathered in the course of the case record analysis and the field visit relating to eligibility is verified.

B-4010.422 REFUSAL TO COOPERATE

Recipient households selected for review who refuse to cooperate in a quality assurance review, despite all attempts to enlist their cooperation, shall be declared ineligible for continued program benefits. The Quality Assurance reviewer shall notify the local food stamp office of the household's refusal to cooperate in the review process on State prescribed Quality Assurance reporting forms(s). Within ten (10) calendar days from the date of receipt of Quality Assurance's notification of the household's refusal to cooperate, the local food stamp office shall take action to disqualify the household from participation in the food stamp program. If the household is currently participating the office is to inform the household of the proposed termination on Form FS-4 or FS-4A and advise the household of its right to a fair hearing. The FS-4 should state the certification office's willingness to schedule an informal conference and explain that termination proceedings will cease if the household agrees to cooperate in the quality assurance review.

If the household requests a fair hearing upon receipt of Form FS-4 or FS-4A, their food stamp benefits shall be continued until the hearing authority renders an administrative decision. Once terminated for refusal to cooperate, the household shall remain ineligible for program benefits for a period of 95 days from the end of the federal annual review period unless the household reapplies and fully cooperates in a quality assurance review.

When a household is not currently certified at the time of their refusal to cooperate with Quality Assurance, the food stamp office shall document the case file of the household's non-cooperation. If, in the future, the household reapplies it shall fully cooperate in a quality assurance review before the household may be determined eligible. Refusal to cooperate shall be grounds for application denial. The denial shall remain in effect for a period of 95 days from the end of the federal annual review period unless the household fully cooperates in a quality assurance review.

If a household which has refused to cooperate with Quality Assurance reapplies after 95 days from the end of the annual review period (which ends September 30 of each year), the household shall not be determined ineligible for its refusal to cooperate during the completed review period, but must provide verification of all eligibility requirements prior to being determined eligible.

B-4010.423 QUALITY ASSURANCE FINDINGS AND REQUIRED RESPONSES

Quality Assurance shall notify food stamp offices on state prescribed forms of the review findings for each sampled active and negative case. Brief descriptions of the review findings shall be given with references to applicable staff manual sections.

- A. When the review findings document no error, and/or only other observations have been noted no further action is required by the food stamp office. The report of review findings shall be retained in the case record.

- B. When the review findings document that an error resulted in ineligibility overissuance, underissuance, or an incorrect negative action the food stamp office shall respond to the review findings by completing the state prescribed form documenting the corrective action taken or rebutting the amount or finding of error. The response shall be forwarded to the Food Assistance Programs Division within ten (10) working days from receipt of the Quality Assurance review finding notification.
- C. Upon receiving the food stamp office's response to the quality assurance review findings, the Food Assistance Programs Division shall review the action taken by the food stamp office and either concur with the quality assurance findings, concur with the food stamp office rebuttal; or concur/nonconcur with the corrective action taken by the food stamp office. The food stamp office shall be notified of the final quality assurance review findings.

B-4010.424 FEDERAL QUALITY ASSURANCE REVIEWS

For purposes of validating the State's Quality Assurance issuance error findings the Food and Nutrition Service Federal Regional Office conducts a subsample re-review of the state's sample. As part of this re-review process the Federal Regional Office may request case files. Food Stamp offices shall forward case records that are selected to be subsampled by Federal Quality Assurance to the Regional Office within ten (10) days of the request.

B-4010.43 Management Evaluation (ME) Reviews

The Colorado Department of Human Services is responsible for the supervision of the administration of the Food Stamp Program. To ensure compliance with program requirements, the state food stamp office in the Division of Food Assistance, Colorado Department of Human Services is responsible for conducting ME reviews to measure compliance with the provisions of these rules. The objectives of the ME Review System are to:

- A. Provide a systematic method of monitoring and assessing program operations in the counties;
- B. Provide a basis for project areas to improve and strengthen program operations by identifying and correcting deficiencies;
- C. Provide a continuing flow of information between the counties, the State Department, and FNS, necessary to develop the solutions to problems in program policy and procedures; and,
- D. Provide a review of target program areas as identified by the United States Department of Agriculture, Food and Nutrition Services (USDA FNS).

B-4010.431 Frequency of Reviews

The state food stamp office shall conduct an ME Review of all food stamp program operation, (1) at least once annually on each large county (more than 7000 participating households); (2) at least once every two years on each medium county (250 to 7000 participating households); and, (3) at least once every three years on each small county (less than 250 participating households).

The state food stamp office may conduct management evaluation reviews on an alternative schedule with the written approval of the United States Department of Agriculture, Food and Nutrition Services (USDA FNS). The state food stamp office may also perform reviews of specific county offices or program areas. The USDA Food and Nutrition Service, the Colorado Department of Human Services, Food Stamp Program, may identify the need of a special review or the county department may request a special review.

Reviews will generally include all aspects of program administration in the large counties. The reviews

may be more limited in scope in the medium and small counties (The USDA, FNS, generally identifies target program areas which it requires for review each fiscal year.)

The state food stamp office will complete the management evaluation report for all counties that are reviewed. The state Food Stamp Program will be responsible for monitoring the county responses to any finding.

The county shall be responsible for submitting a plan to correct any cited deficiency within 30 calendar days of receiving the management evaluation review. The county shall submit any factual corrections to the review within 15 calendar days. The response shall include specific actions, persons responsible for implementation and date for completion. When the review identifies ongoing problems in critical areas the county response shall also include a method for monitoring implementation of the plan and reporting progress to the state food stamp office on at least a quarterly basis

B-4010.432 Compliance Action

The Division of Food Assistance, Colorado Department of Human Services is designated the organization entity to ensure that corrective action is taken at the state and/or county level on the deficiencies found by the ME Reviews

The State may impose fiscal sanctions on counties that do not make good faith efforts to address ongoing problems in critical areas. Fiscal sanctions may be imposed in accordance with Section B-4010.31, titled "Compliance with State Requirements," which requires county food stamp offices to operate the program in accordance with state rules.

B-4010.5 AVAILABILITY OF INFORMATION

B-4010.51 Phone Directory Listings

Each Food Stamp Office telephone number, available to the public, shall be listed under the following two alphabetical listings:

- A. Food Stamp Certification and Issuance Office, street address, phone number or food stamp office (certification only) or (issuance only), street address, phone number.
- B. (Name of the county) Department of Social Services, food stamp office (certification only) or (issuance only), street address, phone number

Each food stamp office shall provide a toll free number or a number where collect calls will be accepted for households outside the local calling area.

This is not to restrict any other listings which may be provided within the telephone directory, but only to standardize the availability of the food stamp program to the public.

B-4010.52 Information Available to the Public

Federal regulation, federal procedures embodied in FNS notices and policy memos, the State Food Stamp Staff Manual Volume, and State Plans of Operation (including specific planning documents such as corrective action plans) shall be available upon request for examination by members of the public during office hours at the State office. Copies of materials are available to recipient organizations, action centers and other individuals for a minimal printing charge.

The Food Stamp Staff Manual Volume shall be available for examination upon request at each local food stamp certification office within each food stamp office

B-4010.53 Confidentiality

Use or disclosure of information obtained from food stamp applicant households or from any state or federal agency included in the Colorado Income and Eligibility Verification System (IEVS), including the Internal Revenue Service, Social Security Administration and Colorado Department of Labor and Employment exclusively for the food stamp program, shall be restricted to the following persons:

- A. Persons directly connected with the administration or enforcement of the provisions of the Food Stamp Act or regulations, other federal assistance programs, or federally assisted state programs which provide assistance, on a means-tested basis, to low income individuals;
- B. Employees of the Comptroller General's office of the United States for audit examination authorized by any other provision of law;
- C. Except for IRS information, local, state or federal law enforcement officials for the purpose of investigating an alleged violation of the Food Stamp Act or regulations. The request shall include the identity of the individual requesting the information, and his/her authority to do so, the violation being investigated and the identity of the person on whom the information is requested.

The agency will provide the address social security number, and, if available, photographs of any member of a household on request by a federal, state or local law enforcement officer. The officer must furnish the name and notify the agency that the individual is fleeing to avoid prosecution, custody, or confinement after a conviction for a crime (or attempt to commit a crime and that under the law, the crime is a felony. The information will also be provided if the individual has violated a condition of probation or parole imposed under federal or state law. Information will also be provided if the member of the household has information necessary for the officer to conduct an official duty related to a fleeing felon or parole violation.

- D. Persons connected with the Parent Locator Service. Information made available to the Parent Locator Service must be restricted to the recipient's or applicant's most recent address and place of employment.
- E. Persons directly connected with the administration of the child support program, the Social Security Administration, or agencies in other states in order to assist in the administration of their program, and to the extent IEVS information is necessary for determining eligibility or benefit amounts. IRS information will not be shared.
- F. Persons directly connected with the verification of immigration status of aliens applying for food stamp benefits through the Systematic Alien Verification for Entitlements (SAVE) program, to the extent the information is necessary to identify the individual for verification purposes.
- G. School authorities can obtain information directly from local Food Stamp offices regarding which children are from families who participate in the program. This information is used to determine eligibility for meals under the National School Lunch or Breakfast Program.
- H. Persons directly connected with the administration or enforcement of programs included in the Colorado Income and Eligibility Verification System (IEVS).

Information obtained through the Income and Eligibility Verification System (IEVS) will be stored and processed so that no unauthorized personnel may acquire or retrieve the information for unauthorized purposes.

All persons with access to information obtained pursuant to the income and eligibility verification requirements will be advised of the circumstances under which access is permitted and the sanctions imposed for illegal use or disclosure of the information

If there is a written request by a responsible member of the household its currently authorized representative or a person acting on behalf of the household to review materials contained in the casefile, the material and information contained in the case file shall be made available for inspection during normal business hours.

The Food Stamp office may withhold confidential information, such as the names of persons who have disclosed information about the household without the household's knowledge, or the nature or status of pending criminal investigations or prosecutions.

B-4010.6 COMPLAINT PROCEDURES

B-4010.61 NON-DISCRIMINATION REQUIREMENT

Food Stamp Program benefits shall be extended to all eligible households without regard to age, race, color, sex, disability, religious creed, national origin or political beliefs. Food Stamp certification and issuance offices shall insure that the non-discrimination poster provided by FNS is prominently displayed. Posters may be obtained through the State Department.

In addition, the food stamp office shall explain the complaint procedures in the section, DISCRIMINATION COMPLAINT PROCEDURE, to each person expressing an interest in filing a discrimination complaint and shall advise the individual of the right to file a complaint under this procedure. Such information shall be made available within ten (10) days from the date of request.

B-4010.62 DISCRIMINATION COMPLAINT PROCEDURE

Individuals who believe they have been subject to discrimination may file a written complaint with the Secretary of Agriculture or the Administrator, FNS, Washington, D.C. 20250, and/or the local food stamp office. The complaint shall include the following information to facilitate investigations:

- A. The name, address and telephone number or other means of contacting the person alleging discrimination.
- B. The location and name of the office which is accused of discriminatory practices.
- C. The nature of the incident or action, or the aspect of program administration that led the person to allege discrimination.
- D. The reason for the alleged discrimination (age, race, color, sex, handicap, religious creed, national origin, or political beliefs).
- E. The name(s) and title(s), if appropriate, of person(s) who may have knowledge of the alleged discriminatory act.
- F. The date(s) on which the alleged discriminatory action(s) occurred.

If allegations of discrimination are made verbally, and if the complainant is unable or unwilling to put the allegations in writing, the State or county employee to whom the allegation is made shall document the complaint in writing. The person accepting the complaint shall make every effort to secure the information specified in Items A. through F. above.

The complainant shall be advised that a complaint may be submitted to the State Department, FNS or both, and that a complaint will not be investigated unless information specified in Items A. through F. above is provided. In addition, the complainant shall be advised that a complaint must be filed no later than 180 days from the date of the alleged discrimination. The food stamp office will date stamp or otherwise note the date the complaint is received by the food stamp office.

B-4010.63 DISPOSITION OF DISCRIMINATION COMPLAINT

When the food stamp office receives a complaint of discrimination and obtains the information specified in B-4010.62, it shall transmit a copy of the complaint to the State Department within five (5) working days. If the complainant expresses a desire that the complaint be filed with FNS, this shall be noted on the copy transmitted to the State Department. The State Department shall file the complaint with the FNS Regional Office on behalf of the complainant.

The State Department shall investigate all complaints of discrimination promptly and shall transmit to FNS, a report on each complaint processed by the State Department and detailing the nature of the complaint, the findings of the investigation and, if appropriate, the corrective action planned or taken.

B-4010.64 STATE DEPARTMENT RESPONSIBILITY

The State's Consumer Relations Office shall be the primary contact through which complaints are filed. State staff shall either handle the complaint when filed, or refer the complaint to appropriate state or county staff for disposition.

The State level complaint system shall include notification to the complainant, either verbally or in writing, of the action taken by the State Department or food stamp office in resolving the complaint. Notification to the complainant by the State Department shall be accomplished within the following time frames.

- A. Complaints involving expedited services shall be investigated and a response provided to the complainant no later than 3 days following the date the complaint was received by the State Department.
- B. All other complaints shall be investigated and a response provided to the complainant no later than 30 days following the date the complaint was received by the State Department.

If a complaint can be resolved through the fair hearing process, the State Department shall advise the complainant of the process for requesting a fair hearing and offer the complainant assistance to request a fair hearing.

The State Department shall assure that information is made available to potential participants, participants, applicants, or other interested persons concerning the complaint system, and the procedure for filing a complaint at the state or county level. Such information shall be made available to potential participants, applicants, and other interested parties through written materials and posters which shall be prominently displayed in all certification and issuance offices.

B-4010.65 COMPLAINT ANALYSIS

The State Department shall maintain records of complaints received. These records will be reviewed on an office by office basis at least annually. Any potential or actual patterns of deficiencies identified shall be reported to the Performance Reporting System coordinator for action or for inclusion, if appropriate, in the State's corrective action plan.

B-4010.66 FOOD STAMP OFFICE RESPONSIBILITY

The food stamp office shall, as part of its overall outreach responsibility, publicize the state's complaint system. In addition, the food stamp office shall advise any household wishing to file a complaint of the complaint procedure and offer assistance in filing a complaint, if appropriate.

The food stamp offices shall make every effort to resolve all complaints brought to their attention at the local level. However, all complainants shall be informed they have the right to contact the State Department if they are not satisfied with the action taken at the local level.

When requested to do so by the State Department, the food stamp office shall provide information sufficient to enable the State Department to provide notification to the complainant within the time frames specified in B-4010.65.

B-4010.7 PROGRAM INFORMATION ACTIVITIES

Beginning October 1, 1981, outreach activities performed by State and local personnel shall be ineligible for federal matching funds. Although activities to solicit participation in the food stamp program are prohibited, all food stamp offices shall perform program informational activities. Program informational activities are those activities that convey information about the food stamp program, including household rights and responsibilities to applicant and recipient households through means such as publications, telephone hotlines and face-to-face contacts.

B-4010.71 MINIMUM REQUIREMENTS

All food stamp offices will be provided the following printed materials and shall display posters and make the pamphlets available at all food stamp and public assistance offices.

- A. FCS posters and pamphlets containing information regarding foods with substantial amounts of the recommended daily allowances of protein, minerals and vitamins, means making use of the foods, and the relationship between health and diet.
- B. Printed materials such as posters, fliers, and pamphlets, that explain the special supplemental food program for women, infants, and children (WIC) and, where available, the Commodity Supplemental food program (CSF) shall be supplied by agencies administering the WIC and CSF programs.

All program informational material shall be available in languages other than English and shall include a statement that the program is available to all without regard to race, color, sex, age, handicap, religious creed, national origin, or political belief.

B-4010.8 CERTIFICATION PERSONNEL AND FACILITIES REQUIREMENTS

State and county employees assigned to certify households for participation in the food stamp program shall meet the same personnel standards used in the certification of applicants for benefits under the federally-aided public assistance programs. Only such qualified employees shall conduct the interview of applicant households and determine household eligibility or ineligibility and the level of benefits.

Every county department must utilize an appropriate amount of the staff allocated to that county department and utilize effective and efficient practices in administering its food stamp program. Facilities must, within available state legislative appropriations and federal and required county matching funds, be of adequate size and layout to assure the privacy necessary to allow workers to conduct the interview and perform other office duties efficiently and effectively.

B-4010.81 BILINGUAL STAFF AND INTERPRETER REQUIREMENTS

County departments and state food stamp offices which in the determination of the State Department have a significant population of non-English speaking households or households with adult members not fluent in English shall provide sufficient bilingual staff and/or interpreters for the timely processing of applicant households.

During those periods when there is a significant influx of seasonal or migrant farmworkers, county departments and state food stamp offices shall provide sufficient bilingual staff and/or interpreters for timely processing of such applicants.

If interpreters are utilized, the certification office shall ensure that interpreters are readily available to assist in pre-screening applicants and completing the face-to-face interview and other activities necessary to determine the eligibility of the applicant. The certification office shall not require the applicant to provide an interpreter, or to in any way imply that an interpreter is required, as a condition for being pre-screened or interviewed by the certification office, nor shall the food stamp office postpone or in any way delay the pre-screening process or appointments because of the unavailability of bilingual staff or interpreters.

B-4010.82 Restrictions

B-4010.821 Volunteers

Volunteers or other personnel who do not meet the criteria outlined in B-4010.8 may not be allowed to interview or certify households but may be used for pre-screening, assistance in completion and verification of applications, and the transportation of recipients in certain situations, volunteers may act as authorized representatives for households unable to come to the certification office.

Volunteers may also be used as interpreters when necessary to pre-screen applicants not fluent in English, and to complete the face-to-face interview. If volunteers are utilized, the food stamp office shall insure that volunteer interpreters are available, as necessary, for timely processing of applicants. Such volunteers utilized to pre-screen applicants or to interpret during the face-to-face interview shall be instructed as to confidentiality

B-4010.822 Personnel and Facilities of Parties to a Strike

Any persons or organizations who are parties to a strike or lockout shall not be permitted to interview or certify households or to secure verification required of such households. However, such individuals may be used as a source of verification for information provided by applicant households if, under normal circumstances, they could be expected to be the best verification source. An eligibility worker who is the spouse of a striker is not considered a party to a strike but should not certify his own household.

The facilities of persons or organizations who are parties to a strike or lockout may not be used in the certification process or as a site for certification interviews.

B-4010.9 POINTS AND HOURS OF CERTIFICATION AND ISSUANCE SERVICES

Food stamp offices shall ensure that adequate locations and hours of operation exist to meet the needs of food stamp applicants and participants in their areas. Hours of operation shall ensure the timely processing of applications issuance of EBT cards according to existing guidelines. County food stamp offices shall take into account the special needs of the populations they serve, including households containing working persons. Counties must establish procedures for the operation of the food stamp office that best serve households within that county. The county shall establish procedures to assist households with special needs including, but not limited to households containing elderly and disabled members, households in rural areas with low-income members, homeless households and households containing adult members who are not proficient in English.

Counties may also transfer certification and/or EBT card issuance duties for those non-assistance (NA) households that live closer to the food stamp office in a neighboring county than the county of residence. A State provided form, "Agreement Between Counties for Transfer of Food Stamp Certification and/or Issuance Responsibilities" shall be used to initiate a transfer of duties between counties. The county shall provide a copy of the agreement to the state food stamp office.

B-4011 TELEPHONE INQUIRIES AND NOTICE OF RIGHT TO FILE

Persons who request information or food stamp assistance must be advised of expedited service provisions and encouraged to submit an application so that eligibility processing can begin.

Signs shall be posted in certification offices which explain the application processing standards and the right to file an application on the day of initial contact . Similar information about same day filing shall be included in outreach materials and on the application form.

Food stamp certification offices shall display in prominent locations the poster “Food Stamp Rights” (FNS-183). These posters may be obtained from the state department.

B-4011.1 APPLICATION PROCESSING [Rev. eff. 2/1/11]

The application process includes the filing and completion of an application form being interviewed and providing required and requested verification.

The food assistance office shall act promptly on all applications and provide food assistance benefits retroactive to the month of application to those households that have completed the application process and have been determined to be eligible. However, the benefits for an initial month of application shall be prorated to cover the number of days from the date of application to the end of the month (see B-4230.1).

Households applying for public assistance shall be notified of their right to apply for food assistance benefits at the same time, and shall be allowed to apply for food assistance at the same time they apply for public assistance benefits. County offices shall not apply additional conditions or processing requirements that are beyond those prescribed by State food assistance rules.

Beginning with the benefit month of March 2011, expanded categorical eligibility rules shall be used to determine eligibility for food assistance benefits. During the application process, the food assistance office shall determine if all members of the household making an application for food assistance are eligible under expanded categorical eligibility rules. Households that do not qualify under expanded categorical eligibility rules as outlined in Section B-4011.1, A, 1, a, will have their eligibility determined using either basic categorical eligibility or standard food assistance rules.

A. Eligibility

1. Expanded Categorical Eligibility (ECE)

In order to be considered eligible for expanded categorical eligibility, households must receive a non-cash Temporary Assistance to Needy Families/Maintenance of Effort (TANF/MOE) funded service. Households will receive information about a service that promotes TANF Purpose Four (4): Encouraging the formation and maintenance of two-parent families, through language provided on the application, recertification application, the periodic report, and/or the statement of facts.

a. Households having their eligibility reviewed under expanded categorical eligibility rules must meet one of the following criteria:

- 1) Households that do not include a member who is elderly or a person with a disability must have a combined gross income amount at or below one hundred thirty percent (130%) of the federal poverty level in order to be considered an expanded categorically eligible household. These households must have a net income amount at or below one hundred percent (100%) of the federal poverty level, after appropriate deductions.
- 2) Households that do include a member who is elderly or is a person with a disability must have a combined gross income amount at or below two hundred percent (200%) of the federal poverty level in order to be considered an expanded categorically eligible household. These households must have a net income amount at or below one hundred

percent (100%) of the federal poverty level, after appropriate deductions.

- b. A household's eligibility cannot be determined using expanded categorical eligibility rules if, at the time of application:
 - 1) Any member is disqualified for an intentional program violation.
 - 2) Any member is disqualified for a fraud conviction, such as:
 - a) The individual has been found by a federal, state or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition or explosives; or,
 - b) The individual has been convicted by federal, state or local court of having trafficked benefits for an aggregate amount of five hundred dollars (\$500) or more.
 - 3) Any member is a fleeing felon.
 - 4) Any member has been convicted of a drug-related felony where food assistance benefits were used to purchase drugs.
 - 5) A household that includes a member who is elderly or is a person with a disability and the combined gross income exceeds two hundred percent (200%) of the Federal poverty level.
 - 6) A household that includes a member that has an active family preservation case and the combined gross income exceeds one hundred thirty percent (130%) of the federal poverty level.
- c. A household may still be eligible for expanded eligibility if, at the time of application, it includes any of the following ineligible members:
 - 1) An ineligible non-citizen;
 - 2) An ineligible student;
 - 3) A member who is ineligible due to failure to comply with work requirements;
 - 4) A member disqualified due to not providing his/her Social Security Number.
- d. All households found eligible under expanded categorical eligibility will not be subject to a resource limit and shall not have their resources verified.
- e. To be eligible under expanded categorical eligibility, all households must meet the non-financial criteria set out in Section B.4209.
- f. Households that are ineligible for expanded categorical eligibility shall have the following action taken:
 - 1) Households that contain the following members shall have their eligibility further reviewed under basic categorical eligibility rules only when the household meets one of the following criteria:
 - a) Households that contain a member who is elderly or is a person with

a disability and the household's combined gross income exceeds two hundred percent (200%) of the Federal poverty level;

b) Households that include an elderly member who is unable to purchase and prepare meals, as described in Section B.4100, D;

c) Households with a member who has an active family preservation case, and their gross income exceeds 130% of the Federal poverty level;

d) Households that contain a member who is a fleeing felon.

2) Households that contain a member who has an active Intentional Program Violation or fraud conviction shall only have their eligibility determined under standard eligibility rules.

g. Households that have a gross income exceeding 130% of the federal poverty level or net income exceeding 100% federal poverty level will be denied under food assistance expanded categorical eligibility rules unless the household's eligibility can be further determined as per Section B-4011.1, A, 1, f.

2. Basic Categorical Eligibility (BCE)

a. Basic categorically eligible households are:

1) A household in which all members receive, or are authorized to receive, benefits from the Colorado Works Program, Supplemental Security Income (SSI), Old Age Pension (OAP), Aid to the Needy Disabled (AND), Aid to the Blind (AB) or a combination of these benefits. The Colorado Works, SSI, OAP, AND, or AB program(s) need only to authorize benefits for recipients in order for the household to be considered for basic categorical eligibility. Individuals who are authorized to receive a benefit, but who are not paid such benefits because the grant is less than a minimum benefit or the benefits are suspended or are being recouped, are still considered eligible under basic categorical eligibility rules.

Households not receiving, or authorized to receive, Temporary Assistance for Needy Families (TANF) Title IV-A or SSI benefits, who are entitled to Medicaid only shall not be considered SSI or Title IV-A recipients.

2) A household in which at least one member receives services from the Family Preservation Program. This determination must be documented in the case record.

b. Households eligible under basic categorical eligibility have been deemed to have met the income and resource requirements of the program that confers eligibility; therefore, no further verification is required beyond that gathered by the program that confers eligibility. This includes:

1) Net income;

2) Gross income;

3) Resources;

- 4) Residency;
- 5) Social Security Number;
- 6) Sponsored non-citizen information.

c. A household cannot be considered under basic categorical eligibility rules if, at the time of application:

- 1) Any member is disqualified for an intentional program violation.
- 2) Any member is disqualified for a fraud conviction such as:
 - a) Individual has been found by federal, state or local court to have used or received benefits in a transaction involving the sale of firearms, ammunition, or explosives.
 - b) The individual has been convicted by federal, state or local court of having trafficked benefits for an aggregate amount of five hundred dollars (\$500) or more.
- 3) The head of household is disqualified for failure to comply with an employment first program or workfare requirement as defined in Section B-4215.7.
- 4) The household is ineligible due to one member being a striker as determined in Section B-4218.
- 5) Any member of the household knowingly transferred resources for the purpose of qualifying or attempting to qualify for the program.

d. A household may still be eligible for basic categorical eligibility if, at the time of application, it contains any of the following ineligible members:

- 1) An ineligible non-citizen;
- 2) An ineligible student;
- 3) A fleeing felon.

e. Households that are ineligible for food assistance benefits under basic categorical eligibility rules shall have eligibility determined under standard eligibility rules.

3. Standard Eligibility

a. Standard eligibility rules will only be applied to the following households:

- 1) Households that include a member who is serving a disqualification for an IPV or a fraud conviction.
- 2) Households that include a member who is elderly or a person with a disability whose gross income exceeded two hundred percent (200%) of the federal poverty level and was found ineligible under expanded and basic categorical eligibility.

- 3) Households that include a member who is a fleeing felon and that was found ineligible under basic categorical eligibility.
- b. Households having their eligibility reviewed under standard eligibility rules must meet one of the following criteria:
 - 1) Households that do not include a member who is elderly or a person with a disability must have a combined gross income at or below 130% of the federal poverty level. After all applicable deductions, the net income level must be at or below 100% of the federal poverty level. The household must have resources below two thousand dollars (\$2,000).
 - 2) Households that do include a member who is elderly or is a person with a disability must have a net income level at or below 100% of the federal poverty level after all applicable deductions. The household must have resources below three thousand dollars (\$3,000).
- c. To be eligible under standard eligibility rules, households must meet the non-financial criteria set out in Section B-4209.
- d. Households, as defined in Section B-4011.1, A, 3, a, of this section, that are found ineligible under standard eligibility rules will be ineligible for the Food Assistance Program.
4. Food assistance households that are applying for or receiving other benefits in addition to food assistance are still required to meet the resource limits and follow the reporting and verifying requirements of that program. Such requests for information and verification shall not affect or delay the determination of food assistance eligibility.

The State has entered into an agreement with the Social Security Administration (SSA) whereby each SSA office will complete and forward food assistance applications from households comprised of only persons who receive Supplemental Security Income (SSI) or one applying for SSI provided: 1) the household is not participating in the food assistance program, and 2) has no applications pending. After interviewing household and obtaining available verification, the SSA office will forward the application to the appropriate food assistance office for eligibility determination. Residents of public institutions who apply for SSI prior to their release from an institution under the Social Security Administration prerelease program for the institutionalized shall be permitted to apply for food assistance at the same time they apply for SSI.

The agreement also provides that counties may outstation eligibility worker(s) at district SSA offices. In the event a county desires to outstation an eligibility worker(s) in the local SSA office to process food assistance applications, it would be necessary for the county to request the State to negotiate an appropriate revision of the agreement.

Applications will be screened as they are filed, or as individuals come in to apply, to determine eligibility for expedited service or for normal processing. Applicants entitled to expedited service shall be informed immediately and given a same day interview, whenever possible. Those eligible for expedited processing will be handled in accordance with Section B-4011.6 and those eligible for normal processing handled in accordance with Section B-4011.4 and B-4011.5.

A joint public assistance application must be processed for food assistance purposes unless the household specifically indicates on the application that it does not want food assistance.

For a household filing a joint application for food assistance and public assistance benefits or a household that has a public assistance application pending and is denied food assistance but is later determined

eligible to receive public assistance benefits and is otherwise categorically eligible, the food assistance office shall provide benefits using the original application and any other pertinent information occurring subsequent to that application. The food assistance office shall not re-interview the household, but shall use mail or telephone contact to update any changes.

No household shall have its food assistance benefits denied, solely on the basis that its application to participate in another program has been denied or its benefits under another program have been terminated, without a separate determination by the food assistance office that a household failed to satisfy a Food Assistance Program eligibility requirement.

Households whose Public Assistance (PA) applications are denied shall not be required to file a new food assistance application. The household shall have its food assistance eligibility determined or continued based on the applications filed jointly for PA and food assistance purposes and any other documented information obtained subsequent to the application which may have been used in the PA determination.

The household may voluntarily withdraw its application at any time prior to the determination of eligibility or, subsequently, may voluntarily terminate its participation. Any reason given by the household for withdrawal or termination should be documented in the case file. A Notice of Action form, indicating voluntary withdrawal of application or voluntary termination of eligibility, shall be sent to the household within ten days of the decision, to confirm the action taken. The household shall be advised of its right to reapply at any time subsequent to a withdrawal.

B-4011.11 Availability of Application Forms [Rev. eff. 2/1/11]

The food assistance offices shall make application forms readily accessible to applicant households and groups and organizations. The food assistance offices shall also provide an application form to anyone who requests the form.

Application forms shall be made available in Spanish, or other appropriate languages for use in those counties where it has been determined in conjunction with the state food assistance office that there is a significant number of households without an adult member fluent in English. In addition, application forms in Spanish shall be made available during the period when there is a significant influx of migrant or seasonal farm workers into the county.

Households must file food assistance applications by submitting the forms in person through an authorized representative by FAX or other electronic transmission, by mail or by completing an on-line electronic application. The food assistance office must provide households that complete an on-line electronic application in person at the food assistance office, the opportunity to review the information that has been recorded electronically and must provide the household with a copy of the information for its records. Food assistance offices shall advise applicants if a FAX machine or other electronic transmission is available for the submission of an application.

Applications signed through the use of electronic signature technique or applications containing a handwritten signature, then transmitted by FAX or other electronic transmissions, are acceptable as a valid application when received by the food assistance office.

The food assistance office must document the date when the application was filed by recording the date of receipt by the food assistance office on the application form.

B-4011.12 Filing an Application

A. Definitions

An "initial application" is either the household's first application or an application for recertification that is received after the household has been off the program for any period following the end of a certification

period. Initial applications shall have benefits prorated for that month in accordance with Section B-4230.1

An "application for recertification" is a household's application submitted prior to end of last month of its current certification period, to prevent an interruption or delay of food stamp benefits (as requested on Form FS-8). If a household submits an application for recertification prior to the end of its certification period but is found ineligible for the first month following the end of the certification period, the first month of any subsequent participation shall be considered an initial month.

The "initial month of application" means the first month for which the household is certified for participation in the food stamp program following any break after the end of the certification period where the household was not certified for participation. If the household submits an application for recertification prior to the expiration of its certification period and is found eligible for the first month following the end of the certification period, that month shall not be an initial month. Benefits for the initial month of application are prorated in accordance with Section B-4230.1

B. Application Initiation

County food stamp offices shall encourage the filing of an application form on the same day the household or its representative contacts the food stamp office in person or by telephone and expresses interest in obtaining food stamp assistance, or indicates the household is without food or the means to obtain food. The county department shall inform applicants that receiving food stamps will have no bearing on any other program's time limits that may apply to the household. If a household contacting the food stamp office by telephone does not wish to come to the appropriate office to file the application that same day and instead prefers receiving an application through the mail, the food stamp office shall mail an application form to the household on the same day the telephone request is received. An application shall also be mailed on the same day a written request for food assistance is received. The household shall be advised that it need not be interviewed before filing the application and may file an incomplete application form as long as the form contains a legible name and address and is signed by a responsible household member or the household's authorized representative. Regardless of what type of application system is used the office must provide a means for applicants to immediately begin the application process. The food stamp office shall annotate the application form by recording the date the form was received and processing time begins.

C Filing with Wrong Office

When households contact the wrong certification office within a county in person or by telephone, the certification office shall give the household the address and telephone number of the appropriate office. The certification office shall also offer to forward the household's application to the appropriate office that same day. The household shall be informed that its application will not be considered filed and the processing standards shall not begin until the application is received by the appropriate office. If the household has mailed its application to the wrong office within a county, the receiving office shall mail the application to the appropriate office on the same day or forward it the next day by any means that ensures the application will arrive at the appropriate office the same day it is forwarded.

B-4011.13 Filing Applications by SSI Households

Whenever a member of a household consisting only of SSI applicants or recipients transacts business at an SSA office, the member has a right to make household application for food stamps at the SSA office or the food stamp office.

The SSA office shall also complete joint SSI and food stamp applications for residents of public institutions who apply for SSI prior to their release from the institutions. The applicants shall be permitted to apply for food stamp benefits at the same time that they apply for SSI.

The SSA office will accept and complete food stamp applications from SSI households and forward them,

within one working day after receipt of a signed application to the appropriate county food stamp office. The SSA will use the food stamp application. The application will be transmitted to the food stamp offices with Form SSA-4233 (3-80) containing documentation of verification obtained.

Each food stamp office shall furnish the SSA office(s) serving its geographical area with a street map and/or map defining its boundaries together with the addresses of the certification offices in the project area.

When an SSA office sends a food stamp application and supporting documentation to an incorrect food stamp office, the application and documentation shall be sent to the correct food stamp office within one working day.

B-4011.131 Filing Application at SSA Office by Non-SSI Households [Rev. eff. 2/1/11]

The SSA office shall refer non-SSI households and those in which not all members have applied for or received SSI to the correct food assistance office. The food assistance offices shall process those applications in accordance with the normal and expedited application processing procedures. Applications from such households shall be considered as filed on the date the signed application is taken at the correct food assistance office

B-4011.132 Expedited Processing of SSI Applicants [Rev. eff. 2/1/11]

The SSA office is required to prescreen all food assistance applications for entitlement to expedited service and shall mark "expedited processing" on the first page of all applications of households that appear to be entitled to such processing. The SSA will inform households which appear to meet the criteria for expedited service that benefits may be issued a few days sooner if the household applies directly at the food assistance office. The household may take the application from the SSA office to food assistance office for screening, and interview and processing of the application.

The food assistance office shall prescreen all applications received from the SSA office for entitlement to expedited service on the day the application is received at the correct food assistance office. All households entitled to expedited service shall be certified in accordance with B-4011.6, except that the expedited processing time standard shall begin on the date the application is received at the correct food assistance office.

The expedited processing time standard for applicants who filed prior to the release from a public institution will begin on the date that the individual is released from the public institution. The SSA shall notify the food assistance office of the date of release of the applicant from the institution.

B-4011.133 SSI Participation Controls [Rev. eff. 2/1/11]

To prevent duplication, the food assistance office shall develop and implement a method to determine if members of SSI households whose applications are forwarded by the SSA office, are currently participating in the food assistance program.

B-4011.134 SSI Applicants [Rev. eff. 2/1/11]

Households denied food assistance that have an SSI application pending shall be informed on the notice of denial of the possibility of categorical eligibility if they become SSI recipients.

Residents of public institutions who apply jointly for SSI and food assistance benefits prior to their release from the institution shall not be eligible for food assistance until the individual has been released from the public institution.

B-4011.1345 SSI Telephone Applications and Redetermination [Rev. eff. 2/1/11]

If an SSA office takes an SSI application or redetermination on the telephone from a member of a pure SSI household, a food assistance application shall also be completed during the telephone interview. In these cases, the food assistance application will be mailed by the SSA office to the applicant for signature for return to the SSA office or to the food assistance office. The SSA office shall then forward any food assistance applications it receives to the food assistance office. The food assistance office may not require the household to be interviewed again in the food assistance office. The food assistance office shall not contact the household further in order to obtain information for certification for the food assistance benefits except in accordance with Section B-4011.23.

The SSA office shall mail information of the client's right to file a food assistance application at the SSA office (if they are members of a pure SSI household) or at their local food assistance office, and their right to an out-of-office food assistance interview to be performed by the county food assistance office if the household is unable to appoint an authorized representative.

For households consisting entirely of applicants or recipients of SSI which apply for food assistance certification at an SSA office, the application shall be considered filed for normal processing purposes when the application is received by the SSA.

B-4011.135 Information for SSI Households [Rev. eff. 2/1/11]

An applicant or recipient of SSI shall be informed at the SSA office of the availability of benefits under the Food Assistance Program and the availability of the food assistance application at the SSA office. The SSA office is not required to accept applications for SSI applicants or recipients who are not members in a household consisting entirely of SSI recipients unless a county has outstationed a worker at the SSA office. The SSA office will refer non-SSI households to the correct food assistance office.

Each county office shall provide and the SSA office shall distribute an information sheet to those households residing in the county office boundaries who had their food assistance applications processed by the SSA office. This material shall inform the household of the following:

- A. The address and telephone number of the household's correct food assistance office.
- B. The remaining actions to be taken in the application process.
- C. A statement that a household should be notified of the food assistance determination within thirty days and can contact the food assistance office if it receives no notification within thirty days, or has other questions or problems,
- D. Client's rights and responsibilities (including fair hearings, authorized representatives, out-of-office interviews, reporting changes and timely reapplication),
- E. Information on how and where to obtain food assistance benefits, and
- F. Information on how to use food assistance benefits (including the commodities they may purchase with food assistance benefits).

B-4011.136 Outstationing Eligibility Workers [Rev. eff. 2/1/11]

If the county, with the approval of the State Department, chooses to outstation eligibility workers at SSA offices, with SSA's concurrence, the following actions shall be completed:

- A. SSA will provide adequate space for State food assistance eligibility workers in SSA offices.
- B. The county shall have at least one outstationed worker on duty at all time periods during which households will be referred for food assistance application processing. In most cases, this would

require the availability of an outstationed worker throughout normal SSA business hours.

- C. The following households shall be entitled to file food assistance applications with, and be interviewed by, an outstationed eligibility worker.
 - 1. Households containing an applicant for or recipient of SSI.
 - 2. Households which do not have an applicant for or recipient of SSI but which contain an applicant for or recipient of benefits until Title II of the Social Security Act, if the county and the SSA have an agreement to allow the processing of such households at SSA offices.
- D. Households shall be interviewed for food assistance on the day of application unless there is insufficient time to conduct an interview. The county shall arrange for the outstationed worker to interview applicants as soon as possible.
- E. The outstationed eligibility worker(s) shall not refuse to provide service to an applicant because they do not reside in the county or project area in which the SSA office is located, provided, however, that they reside within the jurisdiction served by the SSA office and the State. The county is not required to process the applications of persons who are not residing within the SSA office jurisdiction but who do reside within the county's jurisdiction, other than to forward the forms to the correct food assistance offices.
- F. The county may permit the eligibility worker outstationed at the SSA office to determine the eligibility of households, or may require that completed applications be forwarded elsewhere for the eligibility determination.
- G. Applications from households entitled to joint processing through an outstationed eligibility worker shall be considered filed on the date they are submitted to that worker. Both the normal and expedited service time standards shall begin on that date.
- H. Households not entitled to joint processing shall be entitled to obtain and submit applications at the SSA office. The outstationed eligibility worker need not process these applications except to forward them to correct food assistance office where they shall be considered filed upon receipt. Both the normal and expedited service time standards shall begin on that date.

B-4011.14 Right and Opportunity to Register to Vote

An applicant of food stamps shall be provided the opportunity to register to vote.

The county department shall provide to all applicants the prescribed voter registration application.

The county department shall not:

- A. seek to influence the applicant's political preference or party registration;
- B. display any political preference or party allegiance;
- C. make any statement to an applicant or take any action, the purpose or effect of which is to discourage the applicant from registering to vote; and
- D. make any statement to an applicant or take any action, the purpose or effect of which is to lead the applicant to believe that a decision to register or not to register has any bearing on the availability of services or benefits.

B-4011.15 Confidentiality of Voter Registration Records

The county department shall ensure the confidentiality of individuals registering or declining to register to vote.

An application completed at the agency is not to be used for any purpose other than voter registration.

Records concerning registration and declination to register to vote shall be maintained for two years by the county department. These records shall not be a part of the food stamp case record and are not subject to subpoena.

B-4011.16 Transmittal of Voter Registration Applications

A completed voter registration application shall be transmitted to the county clerk and recorder for the county in which the county department is located not later than ten (10) calendar days after the date of acceptance; except that, if a registration application is accepted within five (5) calendar days before the last day for registration to vote in an election, the application shall be transmitted to the county clerk and recorder for the county not later than five (5) calendar days after the date of acceptance.

B-4011.2 INTERVIEWS

All applicant households, including those submitting applications by mail, shall undergo an interview with a qualified eligibility worker prior to initial certification and at least once every twelve months, unless the household is certified for twenty-four months. A household containing all elderly or disabled members with no earned income can be certified for twenty-four months with no interview during the certification period. The applicant may bring any person(s) he or she chooses to the interview. The individual interviewed may be the head of the household, spouse, or any other responsible member of the household, or an authorized representative. The eligibility worker shall not simply review the information entered on the application, but shall explore and resolve with the household unclear and incomplete information. Households shall be advised of their rights and responsibilities during the interview, including the appropriate application processing standard and the household's responsibility to report changes. The interviewer must advise households which are applying for other public assistance programs that any time limits and other requirements for the receipt of other public assistance do not apply to the receipt of food stamps. Households may still qualify for food stamps if they have reached a time limit, begun working, or lost benefits from another program for another reason.

A face-to-face interview may be conducted at the county food stamp office or a mutually acceptable location, including the household's residence. If the interview is to be conducted at the residence, it must be scheduled in advance.

The interview shall be conducted as an official and confidential discussion of household circumstances. The applicant's right to privacy shall be protected during the interview. Facilities shall be adequate to preserve the privacy and confidentiality of the interview.

Interviews shall be scheduled as promptly as possible to ensure that eligible applicant households receive an opportunity to participate within 30 calendar days after the application is filed. When the interview is scheduled, the applicant will be notified that if it fails to keep the interview without good cause, the household will be responsible for rescheduling and that failure to do so will result in the denial of the application. If the household fails to appear for the scheduled interview and does not schedule a subsequent interview, the application shall be denied by the food stamp office. However, if the household re-contacts the food stamp office, as specified in Section B-4011.52, the original application shall be used to determine eligibility. If the household fails to appear for the rescheduled interview, no further action need be taken by the food stamp office, unless requested by the household.

B-4011.21 Waiver of Office Interview

The office interview shall be waived if requested by any household which is unable to appoint an authorized representative and which has no household members able to come to the food stamp office because they are sixty (60) years of age or older, or have a mental or physical disability, or residents of a shelter for battered women and children. The food stamp office shall waive the office interview on a case-by-case basis for a household whenever desirable, such as an instance when the household is unable to appoint an authorized representative and which has no household member able to come to the food stamp office because of transportation difficulties or other hardships. The household must be notified that the face-to-face interview will be waived in favor of a telephone interview on a case-by-case basis because of a household hardship which may prevent the customer from coming to the office. These hardship conditions include, but are not limited to:

- A. Illness or the need to care for someone;
- B. Work schedule;
- C. Loss of pay or fear of loss of job;
- D. The household members are sixty years of age or older;
- E. The household member is mentally or physically disabled;
- F. The household has an adult who has earned income;
- G. The household has an adult in school or training;
- H. Residency is in a rural area;
- I. Prolonged severe weather;
- J. Transportation difficulties including if the household does not own a vehicle or does not have transportation available;
- K. Family violence or harassment or stalking;
- L. Work hours or employment training hours; and
- M. Any other challenge which precludes an in-office interview. The food stamp office shall document in the case file the reason that a requested waiver was granted or denied.

The food stamp office shall conduct a telephone interview or a home visit in cases in which the office interview is waived. Home visits shall be scheduled in advance with the household. Waiver of the office interview does not exempt the household from the verification requirements, although special procedures may be used, and shall not affect the household's certification period.

B-4011.22 Interviews for Public Assistance (PA) Households [Rev. eff. 2/1/11]

If a household is applying for both public assistance and food assistance, the county department of social/human services shall conduct a single interview at initial application for both public assistance and food assistance purposes. The applicant household shall complete the combined application for public assistance and food assistance. Following the single interview, the application may be processed by separate workers to determine eligibility and benefit levels for food assistance and public assistance. A household's eligibility for an out-of-office interview for food assistance purposes (B-4011.21) does not relieve the household of any responsibility for a face-to-face interview for public assistance purposes. Except for households which may be eligible under basic categorical eligibility, the household's food assistance eligibility and benefit level shall be based solely on food assistance eligibility criteria, all

households shall be certified in accordance with the notice, procedural, and timeliness requirements of the food assistance regulations.

The PA applicant household shall indicate on the single purpose application if it does not wish to apply for food assistance.

B-4011.23 Interviews for SSI Households [Rev. eff. 2/1/11]

Households in which all members are applying for SSI or receiving SSI, and are applying and being interviewed for food assistance by SSA, will not be required to see a food assistance eligibility worker or otherwise be subjected to an additional certification interview. The food assistance office shall accept SSA documentation and shall not contact the household to obtain additional information for the eligibility determination unless the application is improperly completed, mandatory verification required by B-4011.3 is missing, or the food assistance office determines that certain information on the application is questionable. In no event would the applicant be required to appear at the food assistance office to finalize the eligibility determination. Further contact made in accordance with this paragraph shall not constitute a second food assistance certification interview.

B-4011.3 VERIFICATION AND DOCUMENTATION [Rev. eff. 2/1/11]

Verification is the use of documentary evidence or contact with a third party to confirm information and to establish the accuracy of statements on the application form or the Change Report Form.

A. Notification

At initial determination and at redetermination, all applicants for food assistance benefits shall be notified through a written statement provided on or with the application form that information available through the Colorado Income and Eligibility Verification System (IEVS) will be requested, and that such information will be used, and shall be verified through collateral sources, such as contacts with the applicant or recipient when discrepancies are found by the agency, and that such information may affect the household's eligibility and level of benefits.

B. Initial Application

The food assistance office is required to verify the identity of the applicant, the household's gross nonexempt income, information available through IEVS, including Social Security Numbers (SSNs) for all household members, non-citizen status of persons identified as non-citizens on the application, allowable medical expenses less reimbursement, and legally obligated child support payments, rent/mortgage expenses, and dependent care expenses. Residency shall be verified except for homeless households, or households newly arrived in the county/district for whom third-party verification cannot reasonably be accomplished. For basic categorical eligible households, verification is not required for resources, gross and net income limits, SSN information, sponsored alien information and residency beyond that gathered by the program that confers eligibility.

1. Expanded Categorical Eligibility

For households eligible under expanded categorical eligibility, the food assistance office shall consider the food assistance application, redetermination application, periodic report or statement of facts as verification that the household has received information promoting TANF Purpose 4.

2. Basic Categorical Eligibility

For those households whose eligibility can be determined under basic categorical

eligibility rules, the food assistance office shall verify that each member receives benefits or services from the program that confers basic categorical eligibility.

3. Deductible Expense

If a deductible expense must be verified and obtaining verification may delay the household's certification, the food assistance office shall advise the household that the household's eligibility and benefit level will be determined without providing deduction for the claimed, but unverified expense. If the expense cannot be verified within thirty (30) calendar days of the date of application, the food assistance office shall determine the household's eligibility and benefit level, without providing a deduction for the unverified expense.

4. Non-Citizens

All applicants for food assistance benefits shall be notified on the application form that the non-citizen status of any household member will be subject to verification by the U.S. Citizenship and Immigration Service (USCIS) through the submission of information from the application to USCIS. The information received from USCIS may affect the household's eligibility and level of benefits. The application shall contain a statement signed by an adult representative from each household which attests, under penalty of perjury, to citizenship or non-citizen status of each member.

The non-citizen registration number of applicants will be submitted to the State office to be verified through the Systematic Alien Verification for Entitlement (SAVE) program. The food assistance office shall use the information from the USCIS SAVE program to determine eligibility for benefits.

If the office determines that the documentation presented is questionable or the documents that are used to determine eligibility are not issued by USCIS, the office will use a secondary SAVE process. The secondary verification process will also be used when primary verification is not available through SAVE.

5. The secondary verification process will consist of submitting a photocopy of the documentation presented, with form G-845, to the Division of Colorado Refugee Services Program (CRSP).

C. Redetermination

At redetermination, all households shall verify a change in unearned income, allowable medical expenses, rent/mortgage expenses, legally obligated child support, and dependent care expenses if the source has changed or the amount has changed by more than \$25 since the last time they were verified. A change in total monthly earned income of \$100 or more for each member must be verified at redetermination. Verification of the above factors, except earned income, is optional if information is unchanged or changes by \$25 or less. A reported Social Security Number(s) not verified at initial determination and newly obtained Social Security Numbers shall be verified through the Colorado Income and Eligibility Verification System.

D. Other Eligibility Factors

Other eligibility factors not verified by the Colorado Income and Eligibility Verification System (IEVS) should be verified at redetermination only if they are incomplete, inaccurate, inconsistent, or outdated and would affect a household's eligibility or benefit level. Unchanged information shall not be verified unless the information is incomplete, inaccurate, inconsistent, or outdated.

For households subject to an asset test, the household's written declaration of resources in excess of the resource limit is an acceptable form of verification.

E. Responsibility for Documentation

The household has the primary responsibility for providing documentary evidence for required verification and to resolve questionable information. The food assistance office shall assist the household to obtain the necessary documentation provided the household is cooperating with the food assistance office. Households may supply documentary evidence in person, through the mail, by facsimile or other electronic device, or through an authorized representative. The food assistance office shall not require the household to present verification in person at the office. The food stamp office shall accept any pertinent documentary evidence provided by the household, and shall be primarily concerned with how adequately the verification proves the statements on the application. If written verification cannot be obtained, the eligibility worker shall substitute an acceptable collateral contact or a scheduled home visit. Home visits shall be used as verification only if documentary evidence cannot be obtained and the visit is scheduled in advance with the household. Home visits are to be used on a case-by-case basis where the supplied documentation or verification is insufficient.

The food assistance office shall provide each household at the time of application for initial determination and redetermination with a notice that informs the household of verification requirements that the household must meet as part of the application process. The notice will inform the household that the food assistance office will assist the household in obtaining verification, provided the household is cooperating with the office. The notice shall be written in clear and simple language and shall meet bilingual requirements.

Detailed information regarding the verification of individual eligibility criteria will be found in the appropriate section.

B-4011.31 Sources of Verification

Documentary evidence shall be used as the primary source of verification. This consists of written confirmation of a household's circumstances, e.g., wage stubs, rent receipts, and utility bills. When documentary evidence cannot be obtained, such alternate sources of verification as collateral contacts and home visits shall be used.

The Income and Eligibility Verification System (IEVS) provides for the exchange of information on food stamp program recipients with the Social Security Administration (SSA), Internal Revenue Service (IRS) and the Colorado Department of Labor and Employment (DOLE). Through IEVS, recipient SSNs will be matched with source agency records on a regular basis to identify potential earned and unearned income, and resources/assets, including the following:

A. SSA (BENDEX, SDX, BEER)

Social Security benefits, SSI, pensions, self-employment earnings, federal employee earnings.

B. IRS

Unearned income information including interest on checking and savings accounts, dividends, royalties, winnings from betting establishment, capital gains, etc.

C. DOLE

Wage and unemployment insurance benefits.

The food stamp office shall act on all information received through the Income and Eligibility Verification System (IEVS). For applicants, the food stamp office shall at a minimum, prior to approval of benefits, verify potential earnings or unemployment benefits through the DOLE for all applicants, except institutionalized applicants. All other matches will be initiated through IEVS upon approval of benefits. However, benefits shall not be delayed pending receipt of verification from a collateral source (e.g., employers). In addition, in cases where the food stamp office has information that an institutionalized or group home recipient is working, wage and UIB matches are required at application.

The food stamp office is required to act upon information received from the Colorado Income and Eligibility Verification System within 45 calendar days of the receipt of that information.

The food stamp office shall consider as verified upon receipt, Social Security and SSI benefit amounts obtained from SSA, Title IV-A, AND, OAP, and AB benefit amounts obtained from the department, and unemployment insurance benefit amounts obtained from the Colorado Department of Labor and Employment, unless the office has reason to believe that the information may be questionable.

All other information received through the Income and Eligibility Verification System, including wage data from the Colorado Department of Labor and Employment, and Internal Revenue Service unearned income information, shall be treated as not verified and shall be subject to independent verification by the food stamp office. Such verification of Income and Eligibility Verification System information may include contacting the household in writing informing them of the information received from the IEVS data source, and requesting a response within ten (10) calendar days, or by appropriate collateral contact.

B-4011.32 Collateral Contacts

A collateral contact is a verbal confirmation of a household's circumstances by a person outside the household, made either in person or by telephone. Acceptable collateral contacts are employers, landlords, social/migrant service agencies, and neighbors of the household who can be expected to provide accurate third party verification.

Confidentiality shall be maintained when talking with collateral contacts. The food stamp office shall disclose only the information that is absolutely necessary to get information being sought.

If the household fails to provide a collateral contact or provides a contact that is unacceptable to the eligibility worker, the worker may select a collateral contact that can provide information that is needed. Except for contacts to verify information provided through the Colorado Income and Eligibility Verification System, the collateral contact selected by the eligibility worker shall not be contacted without first obtaining the prior written or verbal approval of an adult household member or the authorized representative. Collateral contacts for the Colorado Income and Eligibility Verification System do not require household designation nor prior approval to contact. The notice shall advise the household that they have the option to consent to the contact, provide acceptable verification in another form, or withdraw the application. If the household refuses to choose one of the above options, the application shall be denied. The case file shall be documented to support action taken by the food stamp office.

The food stamp office shall not determine the household to be ineligible when a person outside the household fails to cooperate with a request for verification. Household members who are disqualified or in an ineligible status shall not be considered as individuals outside the household.

In cases in which the information from another source contradicts statements made by the household, the household shall be afforded a reasonable opportunity to resolve the discrepancy prior to an eligibility determination.

B-4011.321 SSI/Food Stamp Joint Application Processing

In those instances where the application has been completed at the SSA office, the food stamp office

shall ensure that information required by B-4011.3 is verified prior to certification for households initially applying; and households entitled to expedited certification services shall be processed in accordance with B-4011.62. In those cases where the SSI household submits its food stamp application to the local food stamp office, rather than through the SSA office, all verification, including that pertaining to SSA program benefits, shall be provided by the household, by SDX or BENDEX, or obtained by the food stamp office rather than being provided by SSA (see B-4242.35 regarding "Notices of SSI Denial Determinations").

B-4011.33 Documentation

Documentation consists of entering on the application worksheet statements regarding the sources and results of verification. Such statements must be sufficiently detailed to support the determination of eligibility or ineligibility and to permit a reviewer to determine the reasonableness of the eligibility worker's determination.

The worksheet should show the names of the employers and others contacted, the dates and amounts of wage stubs and statements, the figures used to arrive at monthly gross income, the dates and amounts of utility statements viewed (if state utility standards are not used), and the method of verifying other information, including alien status, if applicable. A notation shall be made to indicate which household members completed work registration forms and the date completed (see B-4215). Also, if information was considered questionable or if an alternate source of verification (e.g., collateral contact) was requested, the reason for additional verification must be documented on the worksheet.

B-4011.4 NORMAL PROCESSING STANDARD: 30 DAYS

The county food stamp office shall process applications as expeditiously as possible and provide eligible households a written notification of their eligibility. The applicant household must receive a copy of the completed FS-4, Notice of Action, which will indicate the household's period of eligibility and coupon allotment. Eligible households shall be provided an opportunity to obtain benefits as soon as possible but no later than 30 calendar days following the date the application was filed. An application is filed the day the appropriate food stamp office or SSA office receives the application containing the applicant's name and address except for residents of institutions who applied prior to the release from the institution. The applicant who applies for SSI prior to release from a public institution shall have the application date based on the date of release from the institution.

Households found to be ineligible shall be sent a Form FS-4 denying the household as soon as possible but not later than 30 calendar days following the date the application was filed. Applicant households which refuse to cooperate in completing the application process shall be denied at the time of refusal. For a determination of refusal to be made, the household must refuse to take actions that are required to complete the application process.

In cases where verification is incomplete, the food stamp office shall provide the household with a statement of required verification on the State prescribed notice form and offer to assist the household in obtaining the required verification. The office shall allow the household 10 calendar days to provide the missing verifications, unless the household missed the first appointment, and the food stamp office does not schedule the second interview before the 20th calendar day following the date of application. A household can be found ineligible (or eligible) for the month of application and for the following month based on one application, if sufficient information for such determination is available. The State prescribed notice form shall reflect specific months of eligibility and ineligibility.

Applications are valid for a period of 60 calendar days. Households reapplying for benefits following a determination of ineligibility more than 60 calendar days from the date of the original application date must submit a new application.

In those instances where the application was completed at an SSA office, the food stamp office shall

make an eligibility determination and issue food stamp benefits to eligible SSI households within 30 calendar days following the date the application was received by the SSA. Applications shall be considered filed for normal processing purposes when the signed application is received by SSA. (See Section B-4011.6 for SSI households entitled to expedited service.)

B-4011.5 DELAYS IN PROCESSING BEYOND 30 DAYS: PENDING/DENYING APPLICATIONS

If the food stamp office does not determine a household's eligibility and provide an opportunity to participate within 30 calendar days following the date the application was filed, the office shall determine whether the delay was caused by failure to act on the part of the household or on the part of the food stamp office. The following are guidelines that shall be used to determine causes of delay, beyond 30 calendar days, in the application process:

- A. If a household has failed to complete a food stamp application form even though the food stamp office offered or attempted to offer to assist the client in its completion, the household shall be at fault. If the food stamp office failed to offer assistance to the household, the food stamp office is at fault.
- B. If nonexempt household member(s) failed to register for work, even though the food stamp office informed the household of the work requirements and allowed the household member(s) at least 10 calendar days to supply information for completing the required Work Registration Form, the household shall be at fault unless paragraph D of this section applies. If the food stamp office did not give client appropriate time to supply information for the Work Registration Form, the food stamp office is at fault.
- C. If requested verification is missing even though the food stamp office offered to provide assistance and a written notice of needed verification was provided and the household was allowed 10 days to supply necessary verification, the household shall be at fault unless paragraph D of this section applies. If the food stamp office did not request necessary verification through a written notice, or assist the client as required by these regulations, or give client time to provide information, then the food stamp office is at fault.
- D. If a household submitted an application form but failed to appear for its scheduled interview, the food stamp office must have notified the household to schedule a second interview. The second interview was requested, but couldn't be scheduled until after the 20th day but before the end of the 30 day processing period. The client must appear for the interview to provide requested verification or necessary action and register members for work by the 30th day (even if less than 10 days allowed) or the household shall be at fault.
- E. If the household failed to appear for first interview, failed to schedule a second interview and/or requests to postpone the subsequent interview until after the 30th day following the date of application, the delay shall be the household's fault.
- F. The household missed both scheduled interviews and requests another interview, the delay shall be the fault of the household. If the food stamp office failed to notify the household to schedule a second interview or failed to schedule a second interview within the 30 days following the date the application was filed or failed to request verification or other necessary action at the interview, the food stamp office is at fault.

B-4011.51 Delays Caused by the Food Stamp Office

Delays that are the fault of the food stamp office include, but are not limited to, those cases in which the office has failed to take any of the actions listed in B-4011.5. Whenever a delay in the initial 30-day period is the fault of the food stamp office, the food stamp office shall take immediate corrective action to complete the application process. The food stamp office shall not deny the application if it caused the delay, but shall instead complete a Form FS-4 to notify the household within 30 days following the date

the application was filed that the household's application is held pending. The household should also be notified if there is any action it must take to complete the application process.

Benefits retroactive to the month of application (and prorated for an initial month of application in accordance with B-4230.1) shall be provided to the household, if it is found to be eligible during the second thirty (30) day period. If the household is found to be ineligible, the application shall be denied. The applicant household must be provided with a copy of the completed Form FS-4 when the eligibility determination is made.

B-4011.52 Delays Caused by the Household

Any time the household requests a postponement which delays the 30-day processing, it shall be a household fault. If, by the 30th day, the food stamp office cannot take further action on an application because the household has failed to take the required action requested by the food stamp office, the household shall lose its entitlement to benefits for the month of application and shall be sent a notice of denial (FS-4) on the 30th day.

However, the food stamp office shall give the household an additional 30 days to take the required action requested by the food stamp office after the notice of denial is sent.

The food stamp office shall reopen the case, without requiring a new application, if the household takes the necessary action within 60 days following the date the application was filed. Any changes in the household situation must be taken into account for determining eligibility. If the household is found to be eligible during the second 30-day period and still within the 2nd calendar month, the food stamp office shall prorate benefits from the date verification/documentation is provided only for the month following the month of application. If the delay is beyond the 2nd calendar month, but within the 60-day period, the benefits will be prorated for the 3rd calendar month from the date that action is taken.

B-4011.53 Delays Beyond 60 Days

If the food stamp office is at fault for not completing the application process by the end of the second 30-day period, and the case file is otherwise complete, the office shall continue to process the original application until an eligibility determination is made. If the household is found to be eligible, and the food stamp office was at fault also for the delay in the initial 30 days, benefits retroactive to the month of application shall be provided to the household. However, if the initial delay was the household's fault, benefits retroactive only to the month following the month of application shall be provided.

The household's first monthly allotment must be prorated to cover the number of days from the date of application to the end of the month when the month of application is the month of (1) first application or (2) an application which is received after the household's previous certification period has expired. (See Section B-4230.1.)

If the food stamp office is at fault for not completing the application by the end of the second 30-day period, but the case file is insufficiently complete to make an eligibility determination, the office shall deny the case and request the household to file a new application, if desired. The household shall be advised of its possible entitlement to benefits lost as a result of delays caused by the food stamp office.

If found eligible during the 60 calendar day period, benefits to the household would be calculated from the month of application, provided the food stamp office was also at fault for the delay in the initial 30-day period. Benefits would be calculated from the month following the month of application if the household was at fault for the initial delay. The benefits would be prorated if action were taken after the 30-day time frame but still within the second month. If the household is at fault and action is not taken until the third calendar month following the month of application, the benefits will be provided only for the third calendar month. If the action is taken after the 1st day in the third calendar month but within the 60-day period, the benefits will be prorated from the date the household takes the required action for the third month.

If the household is at fault for not completing the application process by the end of the second 30-day period, the application shall be denied and a new application required if the household wishes to participate. The household shall not be entitled to any lost benefits even if the delay in the initial 30-day period was the fault of the food stamp office.

B-4011.6 EXPEDITED SERVICE

B.4011.61 PROCESSING STANDARDS FOR EXPEDITED SERVICE

The following households are entitled to expedited service:

- A. Migrant or seasonal farm worker households whose liquid resources do not exceed \$100 and who are destitute of income as defined in the section "Destitute of income" .
- B. Households whose liquid resources do not exceed \$100 and who have less than \$150 of gross monthly income in the calendar month of application.
- C. Eligible households whose combined monthly gross income and liquid resources are less than the household's anticipated monthly rent/mortgage and utilities.

Expedited households shall be able to access EBT benefits on the seventh calendar day following the date of application. Households entitled to expedited service shall have benefits available no later than the close of business on the sixth calendar day following the day the application was filed. For application processing purposes, day "one" is the first calendar day after the application is received by the correct food stamp office. In instances in which the household is entitled to expedited service and to waiver of the office interview and cannot secure a proxy to complete the application, the Food Stamp office shall make all reasonable efforts to send a staff member or volunteer to the household's residence to complete the application within the six calendar day period.

Households that apply for initial benefits after the 15th of the month under the expedited service procedures, which have completed the application and provided all verification within the expedited timeframe and have been determined eligible to receive benefits for the initial month and the subsequent month, shall receive the prorated allotment and the first full month's allotment at the same time.

Households applying for initial benefits after the 15th of the month that have postponed the verification shall have the second month's benefits and the prorated allotment available on the seventh calendar day. The household must provide all postponed verification before the third month's benefits can be issued.

For residents of drug or alcohol treatment and rehabilitation centers and blind or disabled residents of group living arrangements who are entitled to expedited service, the food stamp office shall have benefits available no later than the seventh calendar day following the date the application was filed.

If a household is entitled to expedited service and is also entitled to a waiver of the office interview, the food stamp office shall conduct the interview (unless the household cannot be reached) and complete the application process within seven calendar days. If the office conducts a telephone interview and must mail the application to the household for signature, the mailing time involved shall not be calculated in the expedited service time standards. Mailing time shall only include the days the application is in the mail to and from the household and the days the application is in the household's possession pending signature and mailing.

For households not initially screened as requiring expedited service but subsequently determined to be

entitled to such service, the processing standard shall be calculated from the date the determination of entitlement was made.

If program benefits are reduced, suspended or cancelled in accordance with the section entitled "Reduction, Suspension or Cancellation Procedures", households shall receive expedited service in accordance with the following procedures:

- A. Those households that receive expedited service in month(s) in which reductions are in effect and are determined to be eligible shall be issued allotments that are reduced in accordance with the reduction in effect. These reduced allotments shall be made available to the households within the timeframes specified in this section.
- B. Those households that receive expedited service in month(s) in which suspensions are in effect and are determined to be eligible shall have benefits issued to them within the timeframes specified in this section. However, if the suspension is still in effect at the time issuance is to be made, the issuance shall be postponed until the suspension is ended.
- C. Households eligible to receive expedited processing and who apply for program benefits during months in which cancellations are in effect shall receive expedited service. However, the deadline for completing the processing of such cases shall be five calendar days or the end of the month of application, whichever date is later. All other rules pertaining to expedited service contained in this section shall be applicable to these cases.

In those instances where the application was completed at an SSA office, the expedited processing time standards shall begin on the date the food stamp office received the food stamp application or the date that an individual was released from an institution if that household applied for SSI and food stamps prior to the release from an institution.

B-4011.62 SPECIAL PROCEDURES FOR EXPEDITING SERVICE

The food stamp office shall use the following procedures for expediting service:

- A. Prior to certification the identity of the applicant shall be verified through a collateral contact or readily available documentary evidence. Examples of acceptable documentary evidence which the household may provide include, but are not limited to, a driver's license, work or school ID, voter registration card, or birth certificate.
- B. Prior to certification all reasonable efforts shall be made to verify residency, income (including a statement that the household has no income), liquid resources and other factors required in the section "Verification and Documentation" through collateral contacts or readily available documentary evidence. However, verification shall be postponed if it cannot be accomplished in sufficient time to meet the above expedited processing standards.
- C. Households which are certified on an expedited basis and have provided the required verification prior to certification shall be assigned at least a three-month certification period (see the section "Certification Period Guidelines"). If verification required in the section "Verification and Documentation", or verification of questionable information was postponed, the household shall be certified for the month of application or the month of application and the subsequent month for those households applying after the 15th of the month, or a longer certification period if household circumstances warrant the longer certification period.

Except with regard to migrant households applying after the 15th of a month, when a certification longer than one month is assigned, the Form FS-4, Notice of Action, shall be annotated to indicate what verification is required in order for further benefits to be issued. Migrant households eligible for expedited service and applying after the 15th of a month and which are assigned

certification periods of longer than one month, shall be issued an FS-4 notifying them that they shall provide postponed verification from sources within the state before a second month's benefits are issued and shall provide all verification from out-of-state sources before being issued benefits for the third month. The notice shall also advise the household that if verification results in changes in the household's eligibility or level of benefits, such changes shall be acted on without providing an advance notice of adverse action.

Migrants shall be entitled to postpone out-of-state verification only once each season. If a migrant household requesting expedited service has already received this exception during the current season, the food stamp office shall grant a postponement of out-of-state verification only for the initial month's issuance and not for the second month's issuance. When households which applied for benefits on or before the 15th of the month provide the required postponed verification, the food stamp office shall issue the second month's benefits within five working days from receipt of the verification or the first of the second month, whichever is later. Households who apply after the 15th of the month and provide the postponed verification will be issued the third month's benefits within five working days from receipt of verification, or the first of the third month, whichever is later. Except for migrant households needing out-of-state verification, when the postponed verification is not completed within 30 days of the date of application, the food stamp office shall terminate the household's participation on the 30th day without providing a notice of adverse action.

- D. There is no limit to the number of times a household can be certified under expedited procedures, as long as prior to each expedited certification, the household either completes the verification requirements that were postponed at the last expedited certification or was certified under normal processing standards since the last expedited certification.
- E. Households requesting, but not entitled to, expedited service shall have their applications processed according to normal standards.

B-4012 TIMELY APPLICATION FOR SUBSEQUENT CERTIFICATION

In order to enable timely receipt of an application for recertification, the food stamp office shall provide each household with a notice that its certification is about to expire. Benefits will not be continued beyond the end of the certification period unless the household is recertified.

Form FS-8, Notice of Expiration, as prescribed by the state department, shall be used by offices to advise households that their certification period is ending and that a new application must be filed. Form FS-8 will contain at a minimum:

- A. The ending date of the current certification and the consequences of failing to comply with the notice of expiration.
- B. The telephone number the household must call to schedule an interview and the office location.
- C. Notice that the household must appear for any scheduled interview on or after the date the application is timely filed and the date the application must be received by the food stamp office in order to avoid a break in the normal issuance cycle.
- D. Notice that the household is responsible for rescheduling a missed interview and to complete the processing steps of the interview and provide all required verification in order to receive uninterrupted benefits.
- E. That the household has 10 days to submit missing verification after such verification is requested.
- F. The right to request an application and have the application accepted as long as it is signed and

contains a legible name and address

- G. The household's right to file the application by mail, through an authorized representative, or households consisting solely of SSI recipients may reapply at the Social Security office.
- H. A statement of the household's right to request a fair hearing.
- I. A statement that SSI households may reapply at the Social Security office instead of the food stamp office.

Any application received from or submitted by a household for recertification after the last month of the previous certification period shall be processed as an initial application and shall have the allotment for the initial month of application prorated from the day of application to the end of the month, unless the food stamp office was at fault for the delay. (Refer to the section "Initial Month Allotment Proration" .)

A household unable to come into the certification office shall be advised of options available, such as the use of an authorized representative or mailing of application with subsequent telephone interview or home certification. In the case of a household consisting entirely of SSI participants, a face-to-face interview shall be waived if requested and the participants are unable to appoint an authorized representative.

Households certified for one month, or initially certified for two months during the month following the month of application, must receive a Form FS-8, "Notice of Expiration" at the time of certification. Other households must receive the FS-8 not less than 30 calendar days and not more than 45 calendar days prior to expiration of their current certification period. If mailed, the notice must be sent for the same timely receipt, allowing two extra days for delivery delay.

Households provided the notice of expiration at the time of certification will have 15 calendar days from the household's receipt of Form FS-8 to timely reapply. All other households which file by the 15th of the last month of their certification period will have timely reapplied. Notices which are mailed must specify a date that allows at least two days' mail time and still gives the household 15 calendar days to respond. Households which submit an identifiable application by the date specified on their FS-8 shall be considered to have made timely application to prevent interruption in food stamp benefits.

The food stamp office must conduct a face-to-face interview with an adult member of the household or its authorized representative a minimum of once every 12 months for households certified for twelve-months or less. The food stamp office may choose not to interview the household at each recertification during the 12 month period.

The food stamp office shall schedule the interview so that the household has at least 10 calendar days to provide verification before the certification period ends. A combined notice of missed interview and a denial can be sent if an application has been received and the household misses the first scheduled interview.

A food stamp office may schedule an interview prior to the last month of the certification period or prior to the date the application is timely filed, but the household cannot be denied for failing or refusing to appear for such an interview. Rather, the food stamp office shall send notice to the household in order to reschedule an appointment for an interview on or after the date the application is timely filed.

The recertification process must elicit from the household sufficient information that, when combined with information in the case file, will ensure an accurate determination of eligibility. Information from the household shall be verified in accordance with Section B-4011.3, "Verification and Documentation." The food stamp office will provide the household with a notice of required verification and the date by which the verification must be provided.

B-4012.1 TIMELY OPPORTUNITY TO PARTICIPATE

A timely application for recertification shall be approved or denied prior to the end of the household's current certification period and shall provide eligible households with an opportunity to obtain their benefits by their normal issuance day of the month following the expiration of their certification period. The office may deny an application for recertification within 30 calendar days following the end of the certification period. If the denial is for a failure of the household to take a required action, the food stamp office shall reopen the case if the action is taken by the end of the certification period and provide benefits for the first full month of the new certification period. If the household takes the required action after the end of the certification period, but within the next 30 calendar days, the food stamp office shall reopen the case and provide benefits retroactive to the date that the action was taken by the household. Households certified for one month which have timely reapplied shall be provided an opportunity to participate, if eligible, not later than 30 calendar days after the household had an opportunity to obtain its last allotment.

Households which have timely reapplied, but because of food stamp office error are not determined eligible in sufficient time to permit normal issuance to the household in the following month, shall receive an immediate opportunity to participate upon being determined eligible. Such households shall be entitled to participate and receive a full month's allotment for the month following the expiration of the certification period.

B-4012.12 SSI/Food Stamp Joint Recertification Processing

SSI/food stamp jointly processed households which have received a food stamp notice of expiration shall be entitled to make a timely application for food stamp recertification at the SSA office.

- A. In SSA offices where B-4011.13 is in effect, SSA shall accept the application of a pure SSI household and forward the completed application, transmittal form and any available verification to the designated food stamp office. Where SSA accepts and refers the application in such situations, the household shall not be required to appear at a second office interview, although the food stamp office may conduct an out-of-office interview, if necessary.
- B. In SSA offices where B-4011.136 is in effect, the outstationed worker shall accept the application and interview the recipient, and the food stamp office shall process the application.

B-4012.2 FAILURE TO APPLY TIMELY

If a household files an application within 30 calendar days after the end of the certification period, the application shall be considered as an application for the recertification; however, benefits will be prorated from the date of the application .

When an application for recertification is delayed beyond the first month of the new certification period through the fault of the food stamp office, the household's benefits will be prorated based on the new application date. The food stamp office will provide restored benefits back to the date when the household's certification period should have begun if the household had been able to apply timely.

A household which fails to submit a timely application for recertification, or to appear for an interview scheduled after the application is timely filed, or to submit all necessary verification within 10 calendar days of the date such verification is requested, shall lose its right to uninterrupted benefits as long as such failure occurs after the deadline for filing a timely application has passed. However, if the household is eligible after providing such verifications, the county/district shall provide benefits within 30 calendar days after the application was filed. If the county/district is unable to provide benefits within 30 calendar days due to the time allowed for providing verification, the office shall provide benefits within 5 calendar days after the household supplies the missing verification. Households which refuse to cooperate in providing required information or taking the required actions to determine eligibility shall be denied. For applications received within 30 calendar days after the expiration of the certification period. previously verified income or actual utility expenses need not be verified if the source has not changed and the amount has changed by \$25 or less.

B-4013 APPLICATION AND RECIPIENT RESPONSIBILITY

Application for participation shall be made in the name of the household, by the head of the household, the spouse, another household member, or an authorized representative. Households wishing to participate in the program must make this desire known through the application process and provide the certification office with enough information regarding household income, resources and other eligibility factors to enable the certification worker to make a determination of eligibility. Refusal by the household to cooperate in providing the specifically stated information necessary for an eligibility determination, or withdrawal of application, is grounds for denial of the application.

The household shall not be denied if there is any question as to whether it has merely failed to cooperate as opposed to refused to cooperate. The household shall also be determined ineligible if it refused to cooperate in any subsequent review of its eligibility, including reviews generated by reported changes, recertifications, or as part of a quality control review.

B-4013.1 HEAD OF HOUSEHOLD

The food stamp office shall allow a household with adult parents and children, regardless of age or an adult with parental control over the children (under 18 years of age), to select an adult parent of children as its head when all adult members making application agree to the selection. The household may make this designation each time the household is certified for participation, but may not change the designation during a certification period unless there is a change in the composition of the household.

Once an eligible household (household with an adult parent of children) selects its head, no further head of household designation may be imposed by the food stamp office. If the household is not eligible to select its head of household, or an eligible household does not choose to select its head of household, the following rules would apply.

Usually the head is the household member who has the most knowledge of the household's financial circumstances. Such individual must be a household member, except that, if the only adult in the food stamp household is a non-household member, such individual may make application on behalf of the household of minors as the authorized representative.

B-4013.2 AUTHORIZED REPRESENTATIVE

The head of the household, spouse or any other responsible household member may designate someone to act on behalf of the household to make application, obtain coupons, and/or use coupons to purchase food for the household. In instances where a household is in need of an authorized representative, but is unable to obtain one, the food stamp office will assist such a household in finding an authorized representative.

In the event the only adult living with a household is classified as a non-household member, that individual may be the authorized representative for the minor household members.

Residents of drug or alcohol treatment centers shall participate in the food stamp program through use of an authorized representative who shall be an employee and designated by the private nonprofit organization. Residents of group living arrangements shall participate through an authorized representative employed and designated by the group living arrangement unless the group living arrangement determines the resident is capable of acting on his/her own behalf.

In no event may an authorized meal provider for homeless persons act as an authorized representative.

Making Application

When the head of the household or spouse cannot make application for participation, another responsible

household member may apply. An adult non-household member may act as the authorized representative. When designated in writing by the head of the household, spouse, or other responsible household member, the authorized representative must be a person who is sufficiently aware of relevant household circumstances. Whenever possible, the head of the household or spouse should prepare or review the application, even though another household member or an authorized representative is the person interviewed.

The food stamp office shall inform the household that the household will be held liable for any overissuance which results from erroneous information given by the authorized representative, except in the cases where the erroneous information is provided by an authorized representative of a drug and alcohol treatment center or group living facility. Only the individual and not household will be liable if a household member is found guilty of intentional program violation/fraud because of erroneous information given by an authorized representative. Drug addict and alcoholic treatment centers and group living facilities shall be responsible for any misrepresentation of intentional program violation/fraud which they knowingly commit in the certification of their residents.

Obtaining Coupons

An authorized representative may be designated to obtain coupons for the household at the time the household applies for participation, and the name of the authorized representative should be entered on the ID card. The authorized representative for obtaining coupons may be the same individual designated to make application for the household or may be another individual. Even if a household member is able to make application and obtain coupons, the household should be encouraged to name an authorized representative for obtaining coupons in case of illness or other circumstances which might result in an inability to obtain coupons.

The household may also designate an emergency authorized representative at a later date should the need arise. Such a person obtains coupons for the household when neither a household member nor the previously designated authorized representative is able to obtain the coupons because of unforeseen circumstances. An emergency authorized representative must be designated in writing by the head of the household, spouse, or other responsible household member.

Using Coupons

The authorized representative may use coupons to purchase food for the household's consumption provided he has the household's ID card and is acting with the full knowledge and consent of the household.

Restrictions :

Retailers who are authorized by FCS to accept food coupons and employees included in food stamp certification or issuance may not serve as authorized representatives unless the supervisor of the food stamp office has determined that no one else is available to serve and has given specific written approval.

Individuals disqualified for intentional program violation/fraud shall not act as authorized representatives during the period of disqualification, unless the individual disqualified is the only adult member of the household able to act on its behalf and the food stamp supervisor has determined that no one else is available to serve as an authorized representative.

An authorized representative may act on behalf of more than one household, but such an arrangement should be approved only if there is a bona fide need. In determining such need, consideration will be given to the proximity of the households to one another, the distance to the certification or issuance office, the availability of transportation, and the health of the household members involved. In the event employers, such as those that employ migrants, are designated as authorized representatives or that a single authorized representative has access to a large number of coupons, the certification office should

make certain that: (1) the household has freely requested the assistance of the authorized representative; (2) the household's circumstances are correctly stated and the household is receiving the correct amount of benefits; and (3) that the authorized representative is properly using the coupons.

Food stamp offices which have obtained evidence that an authorized representative has misrepresented a household's circumstances and has knowingly provided false information pertaining to the household or has made improper use of coupons, may disqualify that authorized representative from participating as an authorized representative in the food stamp program for up to one year. The food stamp office shall send written notification to the affected household(s) and the authorized representative thirty days prior to the date of disqualification. The notification shall include the proposed action; the reason for the proposed action; the household's right to request a fair hearing, the telephone number of the office; and, if possible, the name of the person to contact for additional information. This provision is not applicable in the case of drug and alcohol treatment centers and those group homes which act as authorized representatives for their residents.

Control

The certification office will assure that authorized representatives are properly designated, that is, the name of the authorized representative and the justification for appointing a person outside the household shall be maintained as part of the household's permanent case record.

B-4100 FOOD STAMP APPLICANT HOUSEHOLDS [Eff. 12/01/2008]

All applications shall be submitted on behalf of a household. A household may be composed of any of the following individuals or groups of individuals:

- A. An individual living alone.
- B. An individual living with others but customarily purchasing food and preparing meals for home consumption separate and apart from the other.
- C. A group of individuals living together for whom food is customarily purchased in common and for whom meals are prepared together for home consumption.
- D. An individual who is sixty (60) years of age or older, and the spouse of such individual, living with others, who is unable to purchase and prepare meals because he/she suffers from a disability considered permanent under the Social Security Act or suffers from a non-disease-related, severe, permanent disability. However, the income (all nonexempt earned and unearned income) of the other members (excluding the disabled person and spouse) with whom the individual resides cannot exceed 165% of the non farm poverty level according to household size as shown below:

| <u>Household Size</u> | <u>Income Limit</u> |
|------------------------|---------------------|
| 1 | \$1,430 |
| 2 | 1,925 |
| 3 | 2,420 |
| 4 | 2,915 |
| 5 | 3,410 |
| 6 | 3,905 |
| 7 | 4,400 |
| 8 | 4,895 |
| Each Additional Member | + 495 |

B 4110.1 PERSONS INELIGIBLE FOR SEPARATE HOUSEHOLD STATUS

Separate household status shall not be granted to the following, except as noted.

- A. Children 21 years of age and under, who purchase and prepare meals separately but are living with their natural parent, adoptive parent or stepparent, cannot be separate households.
- B. Children (other than foster children) who are under 18 years of age who purchase and prepare meals separately but live under the parental control of an adult household member who is not the natural parent, adoptive parent, or stepparent, cannot be separate households. A child is considered to be under parental control if he or she is financially dependent on an adult member of the household, unless the State of Colorado defines the child as an adult or an emancipated minor.
- C. A spouse of a member of a household. Spouses refer to:
 - 1. persons who are defined as married to each other under state law; or,
 - 2. persons who are living together, are free to marry, and are representing themselves as husband and wife to relatives, friends, neighbors and tradespeople.

B 4110.2 VERIFICATION OF HOUSEHOLD COMPOSITION

If questionable, the food stamp office shall verify any factors affecting the composition of a household. However, the household's statement regarding food purchasing and preparation shall generally be accepted because of the difficulty of verifying such arrangements. Individuals described in Section B 4100, Subsection D, declaring separate household status from others in the household shall be responsible for providing necessary income information of other household members and medical statements that the individual(s) cannot purchase and prepare their own meals if questionable and requested by the food stamp office.

B 4111 NON-HOUSEHOLD MEMBERS

The following individuals residing with a household shall not be considered household members in determining the household's eligibility or allotment.

B 4111.1 ROOMERS

Individuals to whom a household furnishes lodging, but not meals, for compensation. Roomers who are otherwise eligible may participate in the program as separate households.

B-4111.2 BOARDERS

Individuals residing with others and paying reasonable compensation to others for lodging and meals.

Boarders shall not be considered members of a participant or applicant household unless the household requests that they be considered as members. If the boarder is not considered a household member, the income and resources of the boarder shall not be considered available to the household. However, the amount of payment that a boarder gives to a household for lodging and meals shall be treated as self-employment income to the household. If the household requests that the boarder be considered a household member, the boarder's income and resources shall be considered available to the household.

Individuals for whom foster care payments are intended are to be treated as boarders. If the household requests to include those individuals as household members, the foster care payments received by the household will be included as unearned income.

If foster care payments are received and the individuals are treated as boarders, then the foster care payments will be handled as self-employment income (Section B-4311.63, "Computation of Boarder Income"). The foster care payments will be disregarded as an expense of doing business.

Boarder status shall not be granted to the following persons:

- A. Children under 18 years of age under the parental control of a member of the household. The parental control provision does not apply to foster care children under 18 years of age.
- B. Children 21 years of age and younger living with their natural, adopted, or stepparent.
- C. A spouse of a member of the household.
- D. A person paying less than a reasonable monthly case payment for meals. Such a person will be considered a member of the household which provide the meals and lodging. When the boarder's payments for room are distinguishable from his/her payments for meals, only the amount paid for meals will be considered in determining if reasonable compensation is being paid for meals. Persons who only work in exchange for meals or make payments to a third party on the household's behalf in exchange for meals would not be classified as boarders.

A reasonable monthly payment shall be either of the following:

- 1. Boarders whose board arrangement is for more than two (2) meals per day shall pay an amount which equals or exceeds the maximum coupon allotment for the number of persons in the boarder household.
- 2. Boarders whose board arrangement is for two (2) meals or fewer per day shall pay an amount which equals or exceeds two-thirds of the maximum coupon allotment for the number of persons in the boarder household.

Boarders are not eligible to participate in the Food Stamp program as a separate household.

B-4111.4 LIVE-IN ATTENDANTS

Individuals who reside with a household to provide medical, housekeeping, child care or other similar personal services. Persons who are otherwise eligible may participate in the program as separate households.

B-4111.5 INELIGIBLE STUDENT

Any person who is 1) at least 18 and not yet 50 years of age, 2) physically and mentally fit, and 3) enrolled at least half time in an institution of higher education, unless he/she meets the eligibility criteria specified in Section B-4217.

B-4111.6 DISQUALIFIED INDIVIDUALS

"Disqualified individuals" are individuals disqualified for intentional program violation/fraud or for failure to either provide or obtain a Social Security Number, ineligible aliens as defined in Section B-4212, individuals disqualified for failure to comply with work requirements, and able-bodied adults without dependents who have been disqualified after receiving three (3) months of Food Stamp benefits within 36 months (see Section B-4319.1). Disqualified individuals shall not be allowed to participate in the program as separate households.

B-4111.7 FLEEING FELONS AND PAROLE PROBATIONS VIOLATORS

Individuals who are fleeing to avoid prosecution for a felony under a state or federal law are ineligible to participate in the food stamp program. Individuals convicted of a crime that is classified as a felony under state or federal law, who are fleeing to avoid custody or confinement for a felony, are also ineligible to participate in the Food Stamp Program. Individuals who have violated a condition of probation or parole imposed under a federal or state law will also be ineligible to participate.

B-4112 CLASSIFICATION OF HOUSEHOLDS AS PUBLIC ASSISTANCE (PA) OR NON-PUBLIC ASSISTANCE (NA)

Only food stamp household members will be considered in determining household classification. Households will be classified as follows for administrative purposes:

A. PA Households

Public Assistance households are those food stamp households which contain only persons who receive the following:

- Colorado Works Basic Cash Assistance Grant or any type of TANF, payment, services under the Colorado Works Program. The household will be considered PA if one member received cash assistance or services, but the entire household benefits from the receipt of this cash or services; or,
- State Grant (OAP-A, OAP-B, AND/AB); or,
- Colorado Supplement to the SSI Grant

B. NA Households

All other households are classified as non-assistance.

Any household which contains at least one member who does not receive a Public Assistance benefit (as listed in #A above), will be classified as NA. County GA, SSI with no Colorado Supplemental payment, or medical only are not considered as Public Assistance.

B-4120 PRUDENT PERSON PRINCIPLE

The rules contained herein are intended to be sufficiently flexible to allow the eligibility worker to exercise reasonable judgment in executing his/her responsibilities.

In this regard, the concept of a prudent person can be helpful. The term refers to reasonable judgments made by an individual in a given case. In making a certification decision, the eligibility worker should ask whether his/her judgment is reasonable, based on experience and knowledge of the program. The eligibility worker is also responsible for exercising reasonable judgment in determining if a given number of individuals applying for food stamps fit the Food Stamp Program's definition of a household.

B-4121 SUPERVISORY RESPONSIBILITIES

Supervisory personnel shall review a random sample of six current food stamp determinations (certifications, denials, and pendencies) per technician per month to determine the correctness of eligibility determinations accomplished. A record of the cases reviewed must be kept for management evaluation/audit purposes.

B-4200 ELIGIBILITY STANDARDS

B-4201 - B-4208

B-4209 NON-FINANCIAL CRITERIA

Non-financial criteria for eligibility shall apply to all households (including those receiving public assistance) and shall be considered prospectively for the issuance month based on the eligibility worker's anticipation of circumstances at the time of application and when changes are made known to the food stamp office. Non-financial criteria shall consist of:

- A. Identity of applicant.
- B. Residency requirement/dual program participation.
- C. Citizenship or permanent alien status.
- D. Social Security number requirement. (For categorically eligible households, the food stamp office shall accept SSN's as verified by programs with categorical eligibility).
- E. Prohibition against boarders and residents of institutions.
- F. Work registration/employment requirements.
- G. Prohibition against students in institutions of higher education.
- H. Prohibition against strikers.

An explanation of these criteria and specific exemptions are outlined below.

B-4210 IDENTITY OF APPLICANT

The identity of the person making application shall be verified. When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household shall be verified.

Identity may be verified through readily available documentary evidence, or if this is unavailable, through a collateral contact. Examples of acceptable documentary evidence which the applicant may provide include, but are not limited to, a driver's license, a work or school ID, an ID for health benefits or for another assistance or social services program, a voter registration card, wage stubs, or a birth certificate. No requirement for a specific type of document, such as a birth certificate, may be imposed.

B-4211 RESIDENCY REQUIREMENT/DUAL PROGRAM PARTICIPATION

Applicants must live in the county or district in which they make application for the program, unless, pursuant to the section entitled "Points and Hours of Certification and Issuance Services", the county/district has made arrangements to allow particular households to file an application in nearby specified county/district office. Individuals may not participate in more than one household in any one month unless they are a resident of a shelter for battered women and children, nor may a household participate in more than one county or district in any month unless the household members are residents of a shelter for battered women and children. Applicants who maintain a residence in the county or district for any purpose other than a vacation, regardless of the length of time they have resided in the county or district or who reside in a county but who do not reside in a permanent dwelling nor have a fixed mailing address shall be considered eligible for the program, provided the other eligibility requirements are met. In no instance shall there be a durational residency requirement imposed upon the applicant, nor shall there be a requirement for the applicant to reside in a permanent dwelling nor have a fixed mailing address. Intent to permanently remain in the State will not be a condition of eligibility. Moving from the county or district will terminate eligibility in that county or district for the month following the move. A fixed residence is not required; for example, migrant campsites satisfy the residency requirement, as does a shelter for

the homeless. Homeless persons as defined in Section B-4011.61 satisfy the residency requirement as long as dual participation in any month of eligibility is not allowed.

Households on Indian reservations participating in the Commodity Food Distribution Program for a particular period shall not be allowed to participate in the Food Stamp program during the same period. Participation shall be limited to participation in the Commodity Program or the Food Stamp program.

The application contains spaces for both a physical address and a mailing address. If the two are different, the certification worker should insure that both addresses are given. A mailing address only, such as post office box or rural route, will not be sufficient as it does not indicate the household resides in the county. In such cases, information should be given which can identify the home; e.g., third house on the right, north of Jones Market. An exception to the requirement for physical location may be granted for residents of shelters for battered women and children.

B-4211.1 VERIFICATION

Except for categorically eligible households, residency shall be verified prior to certification, except in unusual cases when verification cannot reasonably be accomplished. Some persons, such as those newly arrived in the area who may be living at campsites or in cars have no person or organization which could be a reliable collateral contact. If the eligibility worker and applicant have made reasonable efforts to verify residence, and it has proved impossible, the household may be certified, if otherwise eligible.

The client may supply the verification through driver's license, rent receipt, utility or other recently received bill, voter registration, or similar means. If the client is unable to supply documentary evidence, information may be obtained from a telephone or city directory or detailed area map. If documentary evidence is not available, a collateral contact, such as a landlord or neighbor or the Migrant Council, may provide verification. In the absence of documentary evidence or collateral contact, a scheduled home visit may be feasible.

B-4212 CITIZENSHIP AND ALIEN STATUS

A. Citizens of the United States are eligible for Food Stamp benefits.

B. The following individuals are defined as United States citizens:

1. A person born in Puerto Rico, Guam, Virgin Islands (U.S.), American Samoa, the Mariana Islands or Swain's Island,
2. A person who has become a citizen through the naturalization process,
3. A person born to U.S. citizens outside the United States,
4. A child under 18 years of age adopted or born outside the U.S. with a parent who is a U. S. citizen, who has been admitted as a lawful permanent resident, and is in the legal and physical custody of a parent who is a U.S. citizen.

B-4212.1 VERIFICATION OF CITIZENSHIP

Citizenship may be verified by a birth certificate, possession of a U.S. passport, a certificate of U.S. citizenship (INS form N-560 or N-561), a certificate of naturalization (INS form N-550 or N-570), a certificate of birth abroad of a citizen of the United States (Department of State forms FS-545 or DS-1350), or Identification Cards for U.S. citizens (INS-I-179 or INS-I-197).

If the above forms of verification cannot be obtained and the household can provide a reasonable explanation as to why verification is not available, the food stamp office shall accept a signed statement

from a third party having personal knowledge of the person's status and who declares, under penalty of perjury, that the member in question is a U.S. citizen. The signed statement shall contain a warning of the penalties for helping someone commit fraud, such as: If you intentionally give false information to help this person get food stamps, you may be fined, imprisoned, or both.

B-4212.2 VERIFICATION OF QUESTIONABLE CITIZENSHIP INFORMATION

The following guidelines shall be used in considering as questionable an applicant's statement of citizenship:

- A. The claim of citizenship is inconsistent with statements made by the applicant, or with other information on the application, or on previous applications.
- B. The claim of citizenship is inconsistent with information received from another source.

Application of the above criteria by the eligibility worker must not result in discrimination based on race, religion, ethnic background or national origin, and groups such as migrant farm workers or American Indians shall not be targeted for special verification. The eligibility worker shall not rely on a surname, accent or appearance which seems foreign to find a claim to citizenship questionable. Nor shall the eligibility worker rely on a lack of English speaking, reading or writing ability as grounds to question a claim to citizenship.

The member whose citizenship is in question shall be ineligible to participate until proof of citizenship is obtained. Until proof of citizenship is obtained, the member whose citizenship is in question shall have his or her income, less a prorated share, and all of his or her resources considered available to any remaining household members as set forth in the section on Treatment of income and Resources of Disqualified Members.

The method used to document verification of citizenship and the result of the verification shall be included in the case file.

B-4212.3 LAWFUL ALIEN STATUS

Certain aliens lawfully admitted into the United States are eligible to receive food stamp benefits. Food stamp offices shall verify alien status prior to certification and shall prohibit participation in the Food Stamp Program by any alien who does not provide documentation of eligible status under the Immigration and Nationality Act. Each of the following categories of eligible alien status stands alone for purposes of determining eligibility. If eligibility expires under one eligible status, the food stamp office must determine if eligibility exists under another status. Effective April 1, 2003, a qualified alien (see Section B-4321.1, "Qualified Aliens") who has lived in the U.S. for five (5) years will be eligible for the Food Stamp program. The five years will be measured from the date of entry.

If the qualified alien meets any of the following criteria, the alien will be eligible prior to waiting for the five-year period.

- A. An alien who is lawfully admitted to the United States for permanent residence as a qualified alien under the Immigration and Nationality Act; and, has 40 qualifying quarters of coverage as defined under Title II of the Social Security Act, including qualifying quarters of work not covered by Title II of the Social Security Act, based on the sum of:
 - 1. Quarters the alien worked; and,
 - 2. Quarters credited from work of a parent of such alien while the alien was under 18, which includes quarters worked before the alien was born or adopted; and,

3. Quarters credited from the work of a spouse of the alien during their marriage if they are still married or the spouse is deceased. A spouse may not get credit for quarters of a spouse when the couple divorces prior to determination of food stamp eligibility. However, if the food stamp office determines eligibility of an alien based on the quarters of the spouse, and then the couple divorces, the alien's eligibility continues until the next re-certification. At that time, the food stamp office must determine the alien's eligibility without crediting the alien with the former spouse's quarters of coverage.
 4. For any such qualifying quarter creditable for the period beginning after December 31, 1996, the alien did not receive any federal means-tested public benefits during any such period; or,
- B. An alien who is lawfully residing in any state and is a veteran (as defined in Section 101 of Title 38, United States Code) with a discharge characterized as an honorable discharge and not on account of alienage, who fulfills the minimum active-duty service requirements, including an individual who died in active military duty, naval or air service.

The definition of "veteran" shall also include:

1. An individual who served before July 1, 1946, in the organized military forces of the Commonwealth of the Philippines while such forces were in the service of the Armed Forces of the U.S. or in the Philippine Scouts; or,
 2. An individual who is on active duty (other than active duty for training) in the Armed Forces of the United States, or the spouse; or,
 3. The spouse of a veteran who served at least 24 months in the Armed Forces. This includes the spouse of a deceased veteran, provided the marriage fulfilled the requirements of 38 U.S.C. 1304, and the spouse has not remarried; or,
 4. An unmarried dependent child of a veteran who is under the age of 18 or, if a full-time student, under the age of 22; or,
 5. Unmarried dependent child of a deceased veteran provided such child was dependent upon the veteran at the time of the veteran's death; or an unmarried disabled child age 18 or older if the child was disabled and dependent upon the deceased veteran prior to the child's 18th birthday. For purposes of this provision, "child" means the legally adopted or biological child of the veteran.
- C. The following lawful permanent residents are eligible for the Food Stamp Program for an indefinite period of time:
1. Lawfully in the United States on August 22, 1996 and was born on or before August 22, 1931. Effective April 1, 2003, a qualified alien who has lived in the U.S. for five years will be eligible.
 2. Lawfully in the United States on August 22, 1996 and currently under 18 years of age. Effective October 1, 2003, a child under the age of 18 will be eligible without regard to the entry date.
 3. Lawfully in the United States and is receiving blind or disabled benefits or assistance as defined by the Food Stamp Act. See Section B-4214.1, C, 1, for definition.
- D. The following individuals are eligible even if they are not qualified aliens, and they are eligible for an indefinite period of time:

1. American Indians born in Canada to whom the provisions of Section 289 of the Immigration and Nationality Act (8 U.S.C. 1359) apply; or members of an Indian tribe as defined in Section 4(E) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450(B)(e)) who are recognized as eligible for the special programs and services provided by the U.S. to Indians because of their status as Indians. This provision was intended to cover Native Americans who are entitled to cross the United States border between Canada and/or Mexico. It was intended to include, among others, the St. Regis Band of the Mohawk in New York state, the MicMac in Maine, the Abanaki in Vermont, and the Kickapoo in Texas.
 2. A Hmong or Highland Laotian individual who is lawfully residing in the United States and was involved in rendering assistance to United States personnel by taking part in a military or rescue operation during the Vietnam era beginning August 5, 1964 and ending May 7, 1975.
 - a. The spouse or un-remarried surviving spouse of such Hmong or Highland Laotian who is deceased; and/or,
 - b. An unmarried dependent child of such individual who is under the age of 18 or, if a full-time student, under the age of 22;
 - c. An unmarried child under the age of 18 or, if a full-time student, under the age of 22 of a deceased Hmong or Highland Laotian provided the child was dependent upon him or her at the time of his or her death; or,
 - d. An unmarried disabled child age 18 or older if the child was disabled and dependent on the person prior to the child's 18th birthday. For purposes of this paragraph, "child" means the legally adopted or biological child of the person described in this section as a Hmong or Highland Laotian tribe member.
- E. Aliens, for the first seven year period while residing in the United States as annotated on Immigration and Naturalization service (INS) documentation, shall include persons admitted as:
1. Refugees under Section 207 of the Immigration and Nationality Act.
 2. Aliens granted asylum under Section 208 of the Immigration and Nationality Act.
 3. Persons for whom deportation has been withheld under Section 243(h) of the Immigration and Nationality Act as in effect prior to April 1, 1997, or whose removal is withheld under Section 241(b)(3) of the Immigration and Nationality Act.
 4. Cuban/Haitian entrants under Section 501(e) of the Refugee Education Assistance Act of 1980 (retroactive to August 22, 1996).
 5. Amerasian Immigrants under Section 584 of the Immigration and Nationality Act (retroactive to August 22, 1996).
 6. Victims of Trafficking - A person must be certified by the Office of Refugee Resettlement (ORR) of the U.S. Department of Health and Human Services and have a current certified letter. An individual under this status will be treated as a refugee and be eligible indefinitely for the program, if the individual is admitted under one of the above categories in Item E.

The seven year period of eligibility for individuals under Item E begins to run from the date the individual's immigration status is granted or approved. Therefore, if an alien's immigration status was granted or

approved seven years prior to the date of his/her application for food stamps, he/she will not be eligible for benefits. Effective April 1, 2003, the five-year ban against qualified aliens would expire during the seventh year of eligibility and, therefore, aliens meeting the above classifications would be eligible indefinitely.

B-4212.4 DOCUMENTATION

Aliens eligible for Food Stamp program benefits will normally possess one of the following documents provided by the immigration and Naturalization Service (INS)

A. 1-94 Arrival/Departure Record

The Food Stamp office shall accept the INS form 1-94 as verification of eligible alien status only if the form is annotated with Sections 207 208, 243(h), 241(b)(3), 501(e), or 584 of the Immigration and Nationality Act. or if the form is annotated with any of the following terms or a combination of the following terms, refugee, parolee, paroled, or asylum. The section number normally appears on the front of a 1-94 but may occasionally be found on the reverse.

If the INS form 1-94 does not bear any of the above section annotations, and the alien has no other verification of alien classification, the Food Stamp office shall advise the alien to submit an Application for Verification of Information from Immigration and Naturalization Service records to INS. Food Stamp offices shall accept this form when presented by the alien and properly annotated at the bottom by an INS representative as evidence of lawful admission for permanent residence, refugee, asylee, or withholding deportation.

The alien shall also be advised at the eligibility interview that classification under Sections 207, 208, 243(h), 241(b)(3), 501(e), or 584 of the Immigration and Nationality Act shall result in eligible status for the period of seven years; that the alien may be eligible if acceptable verification is obtained; and that the alien may contact INS as stated previously, or otherwise obtain the necessary verification or, if the alien wishes and signs a written consent, that the food stamp office will contact INS to obtain clarification of the alien's status. If the alien does not wish to contact INS, the household shall be given the option of withdrawing its application or participating without that member.

B. Resident Alien Card (I-551)

These are normally referred to as green cards. This card is usually valid indefinitely if issued before July 1990, but may contain an expiration date on the reverse side if issued to a conditional alien. These cards are issued to lawful permanent resident aliens and contain a photograph of the alien. A Resident Alien Card (I-551) issued after July 1990 is good for a 10-year period.

C. Employment Authorization Card (I-688B)

One of several INS documents that indicate an alien has been granted permission to work. Codes on the card indicate the person's immigration status. On the front of the card will be "274a" followed by other numbers and letters that refer to the section of the regulation authorizing employment. Section (a)(3) identifies refugees under Section 207, (a)(5) identifies asylees under Section 208, and (a)(10) identifies withholding of deportation under 243(h).

D. Qualifying Quarters

For purposes of this section in determining the number of qualifying quarters of coverage under Title II of the Social Security Act, refer to Section B-4212.3. A

No such qualifying quarter of coverage that is creditable under Title II of the Social Security Act for any period beginning after December 31, 1996, may be credited to an alien if the alien, parent of the alien, or

spouse of such alien actually received any federal means-tested public benefit during the period for which such qualifying quarter of coverage is so credited.

The food stamp office must evaluate quarters of coverage and receipt of federal means-tested public benefits on a calendar year basis. The food stamp office must first determine the number of quarters creditable in a calendar year, then identify those quarters in which the alien (or the parent(s) or spouse of the alien) received federal means-tested public benefits and then remove those quarters from the number of quarters of coverage earned or credited to the alien in that calendar year. However, if the alien earns the 40th quarter of coverage prior to applying for food stamps or any other federal mean-tested public benefit in that same quarter, the food stamp office must allow that quarter toward the 40 qualifying quarters total.

Receipt of federal means-tested public benefit shall not include the following:

1. Medical assistance under Title XIX of the Social Security Act (or any successor program to such Title) for care and services that are necessary for the treatment of an emergency medical condition (as defined in Section 1903(v)(3) of such Act) of the alien involved and are not related to an organ transplant procedure, if the alien involved otherwise meets the eligibility requirement for medical assistance under the State Plan approved under such Title (other than the requirement of the receipt of aid or assistance under Title IV of such Act. supplemental security income benefits under Title XVI of such Act. or a state supplementary payment)
2. Short-term non-cash, in-kind emergency disaster relief.
3. Assistance or benefits under the National School Lunch Act.
4. Assistance or benefits under the Child Nutrition Act of 1966.
5. Public health assistance (not including any assistance under Title XIX of the Social Security Act) for immunizations with respect to immunizable diseases and for testing and treatment of symptoms of communicable diseases whether or not such symptoms are caused by a communicable disease.
6. Payments for foster care and adoption assistance under Parts B and E of Title IV of the Social Security Act for a parent or a child who would, in the absence of Subsection (q), be eligible to have such payments made on the child's behalf under such part, but only if the foster or adoptive parent (or parents) of such child is a qualified alien (as defined in Section 431 of the Social Security Act).
7. Programs, services, or assistance (such as soup kitchens, crises counseling and intervention, and short-term shelter) specified by the U.S. Attorney General, in the Attorney General's sole and unreviewable discretion after consultation with appropriate federal agencies and departments, which: a) deliver in-kind services at the community level, including through public or private nonprofit agencies, b) do not condition the provision of assistance, the amount of assistance provided, or the cost of assistance provided on the individual recipient's income or resources, and, c) are necessary for the protection of life or safety.
8. Programs of student assistance under Titles IV, V, IX, and X of the Higher Education Act of 1965.
9. Means-tested programs under the Elementary and Secondary Education Act of 1965.
10. Benefits under the Head Start Act.
11. Benefits under the Workforce Investment Act.

B-4212.5 VERIFICATION OF ALIEN STATUS

The Immigration and Naturalization Service (INS) Systematic Alien Verification for Entitlement (SAVE) will verify the status of applicant aliens.

The food stamp office shall provide an applicant alien up to the 30th calendar day following the date of application to submit acceptable documentation of their alien status or at least 10 calendar days from the date of the food stamp office's request for an acceptable document.

An alien who has been given a reasonable opportunity to submit acceptable documentation and has not done so within the normal processing time shall not be certified for benefits until acceptable documentation is available. However, when the food stamp office fails to provide an alien applicant with a reasonable opportunity as of the 30th calendar day following the date of application, the food stamp office must provide the household with benefits back to the date of application, provided the household is otherwise eligible.

If the alien status is not verified in the primary SAVE verification process, an INS Form G-845 will be submitted with a photocopy of the alien's document. The form will then be submitted to the Colorado Refugee Service Program (CRSP).

An alien is ineligible to participate until acceptable documentation is provided, unless the food stamp office has submitted a copy of a document provided by the household to the immigration and Naturalization Service for verification. Pending such verification, the individual's benefits will not be delayed, denied, reduced or terminated based on the individual's immigration status while awaiting a response to the request for verification.

If the food stamp office determines, after complying with the requirements of this section, that the alien is not in an eligible alien status, the office shall take action, including sending proper notices to the household, to terminate, deny, or reduce benefits. The household will have the opportunity to request a fair hearing prior to any adverse action taking effect.

The use of SAVE shall be documented in the case file. The record will contain the date that the primary or secondary request was submitted, along with a copy of the Form G-845 (when applicable), and any response to the request for verification.

B-4212.51 Other Immigration and Naturalization Service (INS) or Another Federal Agency Other Than INS Verification

- A. If the proper immigration and Naturalization Service (INS) documentation is not available, the alien may state the reason and submit other conclusive verification. The food stamp office shall accept other forms of documentation or corroboration from INS that the alien is classified pursuant to Section 207, Section 208, or Section 243(h) of the Immigration and Nationality Act, or other conclusive evidence such as a court order stating that deportation has been withheld pursuant to Section 243(h) of the Immigration and Nationality Act.

The INS must verify the validity of alien status when the food stamp office accepts other forms of documentation as defined above. This will be accomplished by the secondary SAVE verification process. The office will not delay, deny, reduce, or terminate the alien's eligibility for benefits while awaiting the verification on the basis of the individual's immigration status.

- B. If an alien is unable to provide acceptable documentation as defined above, the individual will be ineligible until acceptable documentation is provided.
- C. If an alien is unable to provide any INS document at all (not even an INS form 1-94), then the Food Stamp office has no authority or responsibility to contact INS.
- D. If the applicant or food stamp office has submitted a request to another federal agency, other than

INS, for verification of information which bears on the individual's eligible alien status, the food stamp office must certify the individual for up to six months from the date of the original request for verification pending the results of the investigation.

B-4212.52 Verification of Social Security Coverage

To determine eligibility based on social security coverage, the worker should ascertain the applicant's understanding as to the following:

- A. How many years has the applicant, the applicant's spouse, or the applicant's parents (before the applicant turned 18) lived in the United States.
 1. If the answer is 10 years or more, the food stamp office shall verify from Immigration and Naturalization Service (INS) documents the date of entry into the United States of the applicant, his spouse, and/or his parent.
 2. If the answer to the above is less than 10 years, the food stamp office does not need to ask the next question.
- B. During how many of the years reported in the above did the applicant, the applicant's spouse, or the applicant's parent earn money through work.

If the periods of earnings are consistent with 10 or more years of work, no further documentation is required. The food stamp office shall include the immigrant in the household if the individual has verification of the 40 quarters. The Social Security Administration's Quarters of Coverage History System (QCHS) is available for purposes of verifying whether a lawful permanent resident has earned or can receive credit for 40 qualifying quarters. If the individual does not have documentation, he/she cannot participate until verification of 40 quarters of work is received from either the Social Security Administration (SSA) or the individual. If the Social Security Administration determines that its existing records do not verify that an individual claiming 40 credits/quarters in fact has the 40 credits/quarters, and the individual believes the Social Security Administration records are not correct, the Social Security Administration will work with the individual to determine whether the additional credits/quarters can be established. The individual should be advised that he/she has the option of working with the Social Security Administration and that if he or she exercises this option and obtains a statement from SSA indicating that the number of credits/quarters is under review, he/she can continue to receive food stamps for up to six additional months from the date of the original determination of insufficient quarters.

The food stamp office shall inform these immigrants that a claim will be established for any food stamp benefits received they were not eligible to receive. The food stamp office shall keep a record of each individual who is certified to receive food stamp benefits based on verification from the Social Security Administration.

If the dates of entry to the United States are inconsistent with having 10 or more years of work, the food stamp office shall determine that individual's eligibility for food stamps. The food stamp office shall inform the applicant of his/her fair hearing rights with the proper notice.

The applicant shall also provide, for future verification, the name, social security number, birth date and gender of each individual (him/herself, his/her spouse, or parent) whose work history is relevant to the determination of eligibility. The applicant shall provide a release form signed by each individual giving Social Security permission to release information to the food stamp office. The form shall be retained in the case file to document the individual's consent.

B-4212.6 (None)

B-4212.7 (None)

B-4212.71 (None)**B-4212.72 INCOME AND RESOURCES**

The income and resources of the ineligible alien shall be treated in the same manner as set forth in the section on Treatment of Income and Resources of Disqualified Members, and shall be considered available in determining the eligibility or level of benefits of any remaining members of the household.

B-4212.8 INELIGIBLE ALIENS

Aliens other than those described in B-4212 shall not be eligible to participate in the program as a member of any household. Among those excluded are alien visitors, tourists, diplomats and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country.

B-4212.9 AWAITING VERIFICATION

If verification of eligible alien status as required by B-4212 is not provided on a timely basis, the household has the option of withdrawing its application or requesting that the eligibility of the remaining household members be determined. The income and resources of the individual whose alien status is unverified shall be treated in the same manner as set forth in the section on Treatment of Income and Resources of Disqualified Members and considered available in determining the eligibility of the remaining household members. If verification of eligible alien status is subsequently received the food stamp office shall act on the information as a reported change in household membership in accordance with timeliness standards. The alien will not be entitled to retroactive benefits.

B-4212.91 Inability or Unwillingness to Provide Documentation

When any person in a household indicates inability or unwillingness to provide documentation of alien status, either for himself or any other household member, the household has the option of withdrawing its application or participating with the member in question classified as an ineligible alien. In such cases the food stamp office shall not continue efforts to obtain that documentation.

B-4212.92 Reporting Illegal Aliens

The food stamp office shall immediately inform the local INS office whenever personnel responsible for the certification or recertification of household determine that any member of a household is ineligible to receive food stamps because the member is present in the United States in violation of the Immigration and Nationality Act.

In determining whether the member is present in the United States in violation of the Immigration and Nationality Act caution must be exercised to insure that the determination is not made merely on the alien's inability or unwillingness to provide documentation of alien status. When a person indicates inability or unwillingness to provide documentation of alien status, the food stamp office shall not continue efforts to obtain documentation other than that necessary to obtain information on the income and resources to be made available to remaining members of the household.

Because many aliens who are legally present in the United States are not eligible for food stamps, eligibility workers are cautioned that a determination that a person is an ineligible alien is not equivalent to a determination that a person is an illegal alien.

When and if a food stamp eligibility worker is able, on the basis of information that becomes available to him/her in the process of reviewing a household's eligibility to determine that a member or members of that household are in fact illegal aliens present in the United States in violation of the immigration laws, the eligibility worker will report the determination to his or her supervisor. The supervisor shall decide whether to report the determination to INS. The report to INS, if made, shall be in writing.

This rule does not permit the reporting to INS on mere suspicion or prejudice. Firm evidence that a household is illegally in the U.S. would be required. A person known to be an alien in the United States in violation of the Immigration and Nationality Act is only known to have such status when he or she is found in this country and is known to have a final order of deportation outstanding against him or her. An outstanding order of deportation is final when it is not subject to appeal because the relevant statutory appeal period of 10 days has run or because there are no lawful grounds upon which an appeal may be based or because the available administrative and/or judicial appeals have been exhausted, and the order is not subject to review under the limited standards of reopening for consideration.

The failure to report an illegal alien to INS will not be considered a QC error or assessed as an administrative deficiency.

B-4213 SOCIAL SECURITY NUMBER (SSN) REQUIREMENT

As a condition of food stamp eligibility, each member of a household participating in or applying for participation in the food stamp program shall provide a social security number (SSN) by presenting a social security card or other official documentation from SSA which contains the individual's name and SSN, or apply for a social security number (SSN). However, household members who provide a SSN shall not be denied benefits for failure or inability to present a social security card or other official documentation. For food stamp purposes, "apply" shall mean completion of Form SS-5, Application for a Social Security Number Card, in the food stamp office. If individuals have more than one social security number, all numbers shall be required.

The food stamp office shall explain that a member is not required to provide a social security number, but the failure to provide one shall result in disqualification of the individual(s) for whom the number is not provided. The food stamp office must advise individuals that any SSN that is provided voluntarily will be used in the same manner as SSN's of eligible household members. The SSN's will be matched against federal and state data bases to verify information. The member who does not provide a SSN will still be required to provide other eligibility information such as income and resources that will affect eligibility of other members.

The food stamp office shall verify the SSN's reported by the household with the Social Security Administration in accordance with procedures established by the State Department for the Income and Eligibility Verification System (IEVS).

SSN's will be used for the initial application matching for duplicate participation. Eligibility determinations and benefits will not be delayed to otherwise eligible households while awaiting a response from the Income and Eligibility Verification System.

For categorically eligible recipients the food stamp office shall accept SSN's as verified by the categorical eligible programs.

Those household members who do not have or are unable to provide the required Social Security numbers shall be instructed on procedures to apply for a SSN and shall obtain proof of application for an SSN prior to being certified as a member of the household, unless the member is a newborn child.

If the household is unable to provide proof of application for an SSN for a newborn, the household must provide the SSN or proof of application at its next recertification within six months following the baby's birth. The Food Stamp office shall determine if the good cause provisions are applicable at the recertification. The household containing a newborn should not be certified for any longer than six months.

If the household is being certified under the expedited service provisions, it must provide an SSN for each person or apply for each person, except for a newborn child, before the first full month of participation.

Application for an SSN from the Social Security Administration must be accomplished according to the following procedures:

- A. Each household member who does not have a social security number must complete an Application for Social Security Number Form SS-5. In the lower right hand portion of each form, the food stamp office shall enter with pen or typewriter, the three-digit state code (050 for Colorado), dash, and the ten-digit case number. For example: 060-0112365801 denoted Colorado (060) and the two-digit Adams County code, six-digit basic, and two-digit suffix. No dashes shall be inserted in the ten-digit case number
- B. The applicant/recipient shall be instructed to take the completed SS-5 form and appropriate documentation to the local SSA district office. The local SSA district office has been instructed to complete and issue the form SSA-5028 or provide a letter specifically addressed to the appropriate food stamp office verifying that the applicant has applied for an SSN for each applicant. The SSA has been further instructed to issue one form SSA-5028 or appropriate letter for each applicant. If one form or letter is used for a family, it will indicate the names of all the individuals.
- C. The applicant/recipient shall be instructed to secure a completed copy of an SSA form indicating receipt of application for a Social Security number or a specifically addressed letter verifying that application for an SSN has been made from SSA.

The applicant/recipient shall be further instructed to return the completed form, as soon as possible to the eligibility worker. A copy of the form shall be maintained in the case record. A release of information form may be used by the food stamp office to obtain verification of the new SSN from the SSA or the worker may certify for three months which allows the household time to obtain the new SSN.

If a release of information form is utilized, it will be forwarded to the local SSA office within 60 days from the date of application at the SSA. Household members who provide the eligibility worker with a copy of a form or a letter from SSA, or who demonstrate good cause for not providing the proof from SSA (e.g., difficulty in obtaining birth certificates) shall be allowed to continue to participate in the food stamp program as follows:

- A. When an SSA form or letter is received by the food stamp office or good cause for not providing proof is demonstrated, the household member in need of an SSN shall be allowed to participate so long as the household is not at fault for not providing proof of application with the SSA.
- B. If the required SSN's are provided by the household, or it is demonstrated that good cause exists for not having applied for an SSN, the household member(s) without an SSN(s) shall remain eligible to participate. If continued participation is allowed because good cause exists, the eligibility worker shall evaluate good cause monthly, and document the good cause monthly. If the food stamp office determines that the household is at fault for not having proof of application for the SSN(s). the member(s) without proof of application shall be disqualified and income shall be handled in accordance with the section entitled Treatment of Income and Resources of Disqualified Members.
- C. If a participating household's benefits are reduced or terminated within the certification period because one or more of its members required to provide an SSN is being disqualified for failure to meet the SSN requirement, the food stamp office shall issue a Notice of Adverse Action (Form FS-4). The advance notice shall inform the household that the non-cooperating individual(s) without an SSN is being disqualified, and show the current eligibility and benefit level of the remaining members, as well as a statement that the disqualified member(s) may end disqualification by providing a Social Security Number.

B-4213.1 FAILURE TO PROVIDE OR OBTAIN SSN

If the household member required to provide an SSN either refuses to supply his/her SSN at the time of application or fails to provide information to complete an application for an SSN, and fails to provide the food stamp office with a form or letter as proof of application for an SSN without good cause, he or she shall be ineligible to participate in the food stamp program.

In determining good cause the food stamp office shall consider information received from the household member and/or the Social Security Administration. Documentary evidence or collateral information that the household has applied for the number or made every effort to supply the Social Security Administration with the necessary information shall be considered good cause. If the household member can show good cause why an application has not been completed in a timely manner, that person shall be allowed to participate for one month in addition to the month of application. If the household member(s) applying for a Social Security Number has been unable to obtain the documents required by Social Security Administration, the eligibility worker should assist the individual(s) in obtaining these documents.

Once a household has verified that an application (SS-5) has been submitted to the SSA for a SSN, the food stamp office shall permit the member to continue to participate.

The disqualification applies to the individual(s) who refuses to cooperate with the application process to obtain the SSN and not the entire household. The earned or unearned income of an individual disqualified from the household for failure to comply with this requirement, less the individual's prorated share, shall be considered as household income. The household member(s) disqualified may become eligible by providing the food stamp office with a Social Security Number.

B-4213.2 VERIFICATION OF SSN

All Social Security numbers provided by the household member, including multiple SSNs issued by the SSA shall be verified through the SSA, in accordance with IEVS procedures established by the state department. However, certification of an otherwise eligible household shall not be delayed to verify the SSN provided by the client.

When the food stamp office receives notification through IEVS that a recipient's SSN cannot be verified or is otherwise discrepant (e.g., name or number do not match SSA records), the food stamp office shall:

- A. Conduct a case record review to confirm that the SSN in the case record matches the SSN submitted to the SSA for verification. If an error occurred in the original submittal (e.g., digits transposed, incorrect name submitted) the food stamp office shall correct the error and the SSN will be resubmitted through IEVS for verification.
- B. If no error is identified through A, above, the food stamp office shall advise the household in writing that a member's SSN could not be verified, and instruct the household to contact the food stamp office to resolve the discrepancy. However, this notice shall not constitute advance notice of adverse action.

The food stamp office shall make every effort to assist the household in resolving the discrepancy, including referral to the appropriate SSA office, and assisting the household in obtaining documents, etc., available to the food stamp office which may be required by the SSA.

Should the household or recipient fail or refuse to cooperate in resolving the discrepancy, the individual, whose SSN cannot be verified may be disqualified as having failed to provide an SSN until such time as the household/recipient cooperates, unless good cause exists. Disqualification shall be effective the month following the expiration of the notice of adverse action.

B-4214 RESIDENTS OF BOARDING HOUSES AND INSTITUTIONS

Residents of commercial and noncommercial boarding houses and institutions are not eligible for program

participation unless exempt in Section B-4214.1. The household of the proprietor of a boarding house may participate in the program separate and apart from the residents of the boarding house if that household meets all of the eligibility requirements for program participation.

A boarding house shall be defined as an establishment which provides lodging and meals for monetary compensation.

An institution is a place which has not been authorized by FNS to accept coupons but provides its residents with the majority (over 50%) of their daily meals as a part of its normal services. Residents of a halfway house for retarded persons are normally considered to be residents of an institution if they are provided meals as part of their regular service.

B-4214.1 EXEMPTIONS FROM THE BOARDING HOUSE AND INSTITUTION PROHIBITIONS

- A. An individual who is a resident of federally subsidized housing for the elderly under Section 202 of the Housing Act of 1959 or Section 236 of the National Housing Act. An elderly person is defined as a member of a household who is 60 years of age or older.
- B. Narcotic addicts or alcoholics and their children, who, for purposes of regular participation in a drug or alcoholic treatment and rehabilitation program, reside at a facility or treatment center. (See Section B-4317)
- C. Residents of a public or private nonprofit group living arrangement facility, who are blind or disabled recipients who meet the definition of blind or disabled under the Food Stamp Act of 1977. The details for certification of a group living situation is contained in Section B-4318 ("Residents of Group Home Living Arrangements").
 - 1. A disabled person is defined as a member of a household who:
 - a. Receives Supplemental Security Income benefits under Title XVI of the Social Security Act, or the Colorado Supplement, or Aid to the Needy Disabled-Supplemental Security Income-Colorado Supplement (AND-SSI-CS), or Aid to the Blind-Supplemental Security Income-Colorado Supplement (AB-SSI-CS); or disability or blindness payments under Title I, II, X, or IXV of the Social Security Act;
 - b. Is a veteran with a service-connected disability rated or paid as a total disability under Title 38 of the United States Code or is a veteran receiving a pension for a non-service connected disability;
 - c. Is a veteran considered by the VA to be in need of regular aid and attendance or permanently housebound under Title 38 of the Code;
 - d. Is a surviving spouse of a veteran and considered in need of aid and attendance or permanently housebound or a surviving child of a veteran and considered by the VA to be permanently incapable of self-support under Title 38 of the United States Code;
 - e. Is a surviving spouse or child of a veteran and considered by the VA to be entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under Title 38 of the United States Code and has a disability considered permanent under Section 221(i) of the Social Security Act. "Entitled" as used in this definition refers to those veterans' surviving spouses and children who are receiving the compensation or benefits or have been approved for such benefits but are not receiving them;

- f. Is a person who has a disability considered permanent under Section 221(i) of the Social Security Act (SSA) and receives a federal, state, or local public disability retirement pension;
- g. Is a person who receives an annuity for disability from the Railroad Retirement Board who is considered disabled by SSA or who qualifies for Medicare as determined by the Railroad Retirement Board;
- h. Is a recipient of interim assistance benefits pending the receipt of Supplemental Security Income (SSI), disability-related medical assistance under Title XIX of the Social Security Act, or disability-based state assistance benefits provided that the eligibility to receive these benefits is based on disability or blindness criteria which are at least as stringent as those used under Title XVI of the Social Security Act.

2. Verification

- a. For 1, a, above the household shall provide proof that the disabled individual is receiving benefits under Title I, II, X, XIV, or XVI of the Social Security Act.
- b. For 1, b, above, the household must provide a statement from the VA that the disability is rated or paid as total.
- c. For 1, c and d, above, proof of receipt of VA Disability Benefits is sufficient verification.
- d. For 1, e and f, above, unless the disability is obvious to the agency (based upon SSAs current list of disabilities considered permanent), a statement from a physician or a licensed certified psychologist is required stating such a basis.
- e. For 1, g, above, the household shall provide proof that the individual receives a disability annuity from the Railroad Retirement Board and has been determined to qualify for Medicare.
- f. For 1, h, above, the household shall provide proof that the individual receives interim assistance benefits pending the receipt of SSI or disability-related medical assistance under Title XIX of the Social Security Act or disability-based state general assistance benefits (AND or AB). The food stamp office shall verify that the eligibility to receive the state general assistance, interim assistance, or medical assistance benefits is based on disability or blindness criteria which are at least as stringent as those used under Title XVI of the Social Security Act.

D. Women or women and their children who are temporarily residing in a public or private nonprofit shelter for battered women and children (see B-4314).

E. Residents of public or private nonprofit shelters for homeless persons.

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

- 1. A supervised shelter which provides temporary accommodations; or,
- 2. A temporary residence for individuals intended to be institutionalized; or,
- 3. A temporary accommodation in the residence of another individual; the household will only be considered as homeless if the accommodation is no more than 90 days; or,

4. A place not designed for, or ordinarily used, as a regular sleeping accommodation for human beings.

B-4215 WORK REGISTRATION

The Food Stamp Act requires that all members of eligible households, who have attained the age of 16 and have not yet reached their 60th birthday, must register for work, participate in an employment and training program as required, accept suitable employment and provide sufficient information to allow the agency to determine the employment status or the job availability of the individual, unless exempt as noted below. This requirement shall include a person not working because of a strike or lockout at his/her usual place of employment.

Compliance with the work registration requirement is a prerequisite to certification. The requirement cannot be waived, and benefits may not be granted conditionally prior to registration of all household members who are required to do so.

Work registration shall be accomplished through the completion of a work registration form (EF-102) in Employment First counties or an affidavit in non-Employment First counties for all household members between the ages of 16 and 60, except the persons described in the following sections, at the time of application and once every 12 months. The work registration form must be signed by the member required to register or by another adult household member.

B-4215.1 EXEMPTIONS FROM WORK REGISTRATION

See Section B-4215.45 for requirements and exemptions for 18-50 years of age.

B-4215.11 For Persons Under Age 18

A person age 16 or 17 who is not the head of a household is exempt. A 16-or 17-year-old head of household who is attending school, or enrolled in an employment training program on at least a half-time basis is exempt from work registration.

B-4215.12 Persons Caring for Children and Incapacitated

The able-bodied parent or other household member who is responsible for the care of a dependent child under the age of 6 or an incapacitated person is exempt from work registration.

If the child reaches its sixth birthday within a certification period, the individual responsible for care of the child shall register for work at the next scheduled certification, unless the individual qualifies for another exemption.

B-4215.13 Physically or Mentally Unfit for Employment

Persons physically or mentally unfit for employment are exempt from work registration. If physical or mental unfitness is claimed and is not evident to the food stamp office, verification may be required. Appropriate verification may consist of receipt of temporary or permanent disability benefits issued by government or private sources, or of a statement from a physician or licensed psychologist. Individuals who are 18 years of age through 50 years of age, who are subject to work requirements as set out in Section B-4215.45, must provide a medical certification of disability.

B-4215.14 Eligible Students

Eligible students are those enrolled at least half time, as defined by the educational facility, in any recognized school or training program, and those in an institution of higher education who have met the eligibility conditions of the section "Students in Institutions of Higher Education" are exempt from work

registration. Eligible students shall remain exempt from work registration during normal periods of class attendance, vacation, and recess.

Persons who are not enrolled at least half time or who experience a break in their enrollment status due to graduation, expulsion, suspension or who drop out or otherwise do not intend to register for the next normal school term (other than summer), shall not be considered students for the purpose of qualifying for this exemption.

B-4215.15 Employed and Self-Employed

Employed or self employed individuals who are working a minimum of 30 hours per week or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours are exempt from work registration. This shall include migrant and seasonal farm workers who are under contract or similar agreement with an employer or crew chief to begin employment within 30 days.

Persons working in Action programs (including VISTA) are exempt from work registration if they work at least 30 hours per week even if compensation is not consistent with prevailing community wage, since an employer-employee relationship can be documented. Those engaged in volunteer work or hobby activity cannot be considered gainfully employed unless the income is consistent with 30 hours employment as herein defined, regardless of the time spent in such endeavor.

B-4215.16 Unemployment Compensation Benefits

A person applying for or receiving unemployment compensation benefits (UCB) shall be exempt from work registration requirements. The food stamp office shall verify application for or receipt of UCB, if questionable. A person who has been denied UCB and who is appealing this decision is exempt.

B-4215.17 Drug/Alcohol Rehabilitation

Regular participants in drug or alcohol treatment or rehabilitation programs are exempt from work registration.

B-4215.18 Title IV-A/IV-F Requirements

Persons subject to and complying with any work requirement under Title IV of the Social Security Act are exempt from work registration requirements.

B-4215.181 CRSP Registrants

Any registrant for the Colorado Refugee Services Program is exempt from work registration requirements as CRSP work registration requirements satisfy the requirements of the food stamp program.

B-4215.19 SSI/Food Stamp Jointly Processed Applicants

Members of households who are applying for SSI and food stamps shall have the requirement for work registration waived until:

- A. They are determined eligible for SSI and thereby become exempt from work registration, or
- B. They are determined ineligible for SSI and where applicable, a determination of their work registration status is then made by the food stamp office through recertification procedures.

B-4215.2 CHANGE IN EXEMPTION STATUS

Persons losing exemption status due to any change in circumstances that is subject to the reporting

requirements of the section "Changes Households are Required to Report" (such as a loss of employment that also results in a loss in income or departure from the household of the sole dependent child for whom an otherwise nonexempt household member was caring) shall register for employment when the change is reported through completion of a work registration form or an affidavit. Persons losing exemption status due to changes which are not subject to such reporting requirements

shall register for employment at recertification. Persons who are not longer work registered for Title IV-A/IV-F or UCB shall register for employment, unless otherwise exempt. The food stamp office shall provide the household with a work registration form or affidavit when the change is reported. Households shall be responsible for returning the form to the food stamp office within 10 calendar days from the date the form was mailed or provided in person. If the household fails to return the form within 10 days, the food stamp office shall issue a notice of adverse action stating that the individual will be ineligible unless the form is returned.

B-4215.25 Verification and Documentation

In all cases, the specific reason for each person exempted from work registration and necessary supporting verification must be clearly documented in the case file. Whenever any question of the propriety of the exemption from the work registration requirement arises, the head of the household and the household member must cooperate in furnishing evidence to support the contention of exemption. Failure to cooperate in furnishing such evidence will result in the member being required to register.

B-4215.3 WORK REGISTRATION IN AN EMPLOYMENT FIRST COUNTY

Work registration in an Employment First county shall mean completion of the EF-102 and referral to an Employment First Unit. The food stamp office shall complete a work registration form (EF-102) for all household members not exempt from work registration under Section B-4215.1.

In Employment First counties, the food stamp eligibility technician shall provide the written notice of referral (EF-102) to each work registered household member, shall send a copy to the Employment First Unit, and shall maintain a copy of the referral in the food stamp eligibility record.

Upon determination that the person should be referred to an Employment First Unit, the food stamp office shall explain to the applicant the pertinent work requirements, the rights and responsibilities of work registered household members, and the consequences of failure to comply. The food stamp office shall provide a written statement (FS-62) of these requirements to each work registrant in the household and to each previously exempt or new household member when that person becomes subject to work registration and at recertification.

B-4215.31 Requirements of Work Registrants

Persons work registered by the food stamp office shall:

- A. Participate in Employment First including reporting for all appointments and classes and meeting all other program requirements as detailed in the participation contract.
- B. Provide Employment First with sufficient information to allow Employment First to determine the employment status or job availability of the individual.
- C. Report to an employer in an appropriate manner and be prepared to accept an offer of suitable employment.

B-4215.32 Suitability of Work

No employment offered will be considered suitable for any registrant if:

- A. The wages offered are less than the higher of:
 - 1. The applicable federal or State minimum wage.
 - 2. Eighty percent (80%) of the federal minimum wage if neither the federal or State minimum wage is applicable.
- B. The employment offered is on a piece-rate and the average hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wage specified above.
- C. The registrant, as a condition of employment, is required to join, resign from, or refrain from joining any legitimate labor organization.
- D. The work offered is at a site subject to a strike or a lockout at the time of the offer unless the strike has been enjoined under the Labor Management Relations or the Railway Labor Act.

B-4215.33 Registrant Proof of Unsuitability

Any employment offered a particular registrant shall be considered suitable unless the registrant can demonstrate that, or the food stamp office becomes aware that:

- A. The degree of risk to health and safety is unreasonable.
- B. He/she is physically or mentally unfit to perform the employment as established by documentary medical evidence or reliable information obtained from other sources.
- C. The employment offered is not in his/her major field experience unless, after a period of 30 calendar days from registration, job opportunities in his/her major field have not been offered.
- D. The distance from the member's home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting. Employment shall not be considered suitable if daily commuting time exceeds two hours per day, not including the transporting of a child to and from a child care facility.

Nor shall employment be considered suitable if the distance to the place of employment prohibits walking and neither public nor private transportation is available to transport the member to the job site.

- E. The working hours or nature of the employment interferes with the member's religious observances, convictions, or beliefs.

B-4215.34 (None)

B-4215.35 Referral to Employment First

The food stamp office shall be responsible for referring persons to Employment First. Individuals who are not determined exempt from work registration shall be referred to Employment First at the application interview. Food stamp applicants may volunteer for Employment First services prior to the application interview. Exempt recipients may volunteer at any time.

Employment First may exempt individuals for whom they determine participation in an Employment First component is impractical. Reasons for such exemption include lack of job readiness, remoteness from work opportunities (remoteness shall mean a one-way commute of more than one hour), or lack of transportation, medical or family problems, such as a lack of child care, migrant or seasonal farm work status, or such other reasons as Employment First determines limit practicability.

Job-attached persons (e.g., those on temporary layoff or those expecting to return to work within 60 days) shall be exempt from referral to Employment First for 60 calendar days at which time the food stamp office shall review the job-attached status.

Reasons for exemption should be reviewed at recertification or more frequently if a change affecting the exempt status occurs and shall be documented in the food stamp case record.

B-4215.4 FOOD STAMP EMPLOYMENT FIRST COMPONENTS

County Employment First components shall correspond to components contained in the state Food Stamp Employment and Training Program plan. County components may consist of direct or support activities which expand the abilities of food stamp applicants and recipients to obtain meaningful employment and educational programs or activities to improve basic skills or improve employability. Educational components shall not make a participant subject to student provisions when Employment First requires the attendance to improve employability.

B-4215.41 Period of Participation

An applicant for food stamps may be required to participate in any component from the time of application. The food stamp office shall not delay determination of eligibility nor issuing benefits during this period.

The length of participation in an Employment First component and the number of components to which a food stamp Employment First participant may be referred, shall be determined by the state department or the local Employment First program. In no event may the time spent collectively in an Employment First work component, as described in the state Employment First plan, exceed the number of hours equal to that household's allotment, for that month, divided by the federal minimum wage. The total hours of participation in an Employment First non-work component together with any hours worked in a workfare program or hours worked for compensation (cash or in kind) may not exceed 120 hours each month for any household member.

B-4215.42 Participant Reimbursement

Employment First shall reimburse participants in a component for the actual costs of transportation or other costs (excluding dependent care) necessary and directly related to participation in that Employment First component. This reimbursement shall be based either on actual costs incurred and verified to Employment First or an allowance based on estimated costs associated with participation. Participants who report to Employment First that they are unable to incur a cost necessary for participation, and are, therefore, unable to participate, may be determined by Employment First to have good cause for non-participation or the participant may be assigned to a different component.

A participant is not entitled to the dependent care reimbursement if a member of the participant's food stamp household provides the dependent care services. Employment First must verify the participant's need for dependent care and the cost of the dependent care prior to the issuance of the reimbursement. The verification must include the name and address of the dependent care provider, the costs and the hours of service, for example, five hours each day, five days each week for two weeks. A participant may not be reimbursed for dependent care services beyond that which is required for participation in the Employment First program. In lieu of providing reimbursements for dependent care expense, Employment First may arrange for dependent care through providers by the use of purchase of service contracts, by providing vouchers to the household or by other means. Dependent care provided or arranged by Employment First shall meet all applicable standards of state and local law, including requirements designed to ensure basic health and safety protection, for example, fire safety and licensure.

A participant may refuse available appropriate dependent care as provided or arranged by Employment First, if the participant can arrange other dependent care or can show that such refusal will not prevent or

interfere with participation in the Employment First program. Allowable dependent care expenses that exceed the reimbursement shall be considered in determining a dependent care deduction when calculating net income for eligibility.

Employment First shall inform all mandatory Employment First participants that they may be exempted from participation if their monthly expenses that are reasonably necessary and directly related to participation in the Employment First program exceed the allowable reimbursement amount. Persons for whom allowable monthly expenses in a component exceed the total of the reimbursement for dependent care and other costs shall not be required to participate in that component. These individuals shall be placed if possible in another suitable component in which the individual's monthly expenses would not exceed the allowable reimbursable amount paid by the Employment First. If a suitable component is not available, these individuals shall be exempted from participation until a suitable component is available or the individual's circumstances change and his/her monthly expenses do not exceed the total of the allowable reimbursable amounts.

Individuals exempted because their monthly expense exceeds the reimbursable amount may volunteer to participate in the Employment First program. Volunteers must be informed that their allowable expenses in excess of the reimbursable amount will not be reimbursed.

B-4215.43 – B-4215.44 (None)

B-4215.45 WORK REQUIREMENTS FOR AGES 18 THROUGH 49 YEARS

A. No individual shall be eligible to participate in the Food Stamp Program as a member of any household if, during the preceding 36-month period, the individual received food stamp benefits for not less than three months (consecutively or not) during which the individual:

1. Was not employed 20 hours or more each week, averaged monthly; or,
2. Did not participate in and comply with the requirements of a work program for 20 hours or more each week; or,
3. Did not participate in and comply with Section 20 Workfare program.

B. A work program is defined as:

1. A program of employment and training operated or supervised by the Employment First program other than a job search program or a job search training program;
2. A program under the Workforce Investment Act (WIA);
3. A program under Section 236 of the Trade Act of 1974 (19 USC 2296, "Trade Adjustment Assistance");
4. Workfare under Section 20 of the Food Stamp Act, as amended.

C. The limit of three months in a 36-month period shall not apply to individuals who are:

1. Under 18 or 50 years of age or older;
2. Medically certified as physically or mentally unfit for employment;
3. A parent or other member of a household with responsibility for a dependent child under the age of 18;

4. Pregnant;
5. Exempt from work registration under the exemptions listed in Section B-4215.1, "Exemptions from Work Registration" ;
6. Exempt under a waiver approved by the USDA, Food and Consumer Service. Counties may request such a waiver through the Food Assistance Programs Division (FAPD). FAPD will also consult with Employment First and submit requests for counties or areas that the State Department considers as meeting this requirement. All affected counties will be notified by written correspondence.

The waiver from these requirements can be requested when the area has an unemployment rate of 10% or the area does not have a sufficient number of jobs to provide employment for the individuals.

D. Regaining Eligibility

1. An individual who is denied eligibility under this provision can regain eligibility if in a 30-calendar-day period the individual is employed 80 or more hours, participates in and complies with the requirements of a work program for 80 or more hours as determined by Employment First or participates and complies with Section 20 Workfare.
2. The individual will be reinstated the month following the month of compliance if otherwise eligible and will continue to be eligible as long as compliance with these requirements continues or the individual becomes exempt.
3. If an individual regains eligibility but then fails to continue meeting these requirements, the individual shall remain eligible for a consecutive three-month period after the individual notifies the county department. The individual can only have this provision apply for a single three-month period in any 36-month period.

B-4215.46 (None)

B-4215.47 DISQUALIFICATION PERIOD

If the food stamp office determines that an individual has refused to register for work or failed without good cause to comply with Employment First requirements, that individual shall be ineligible to participate in the food stamp program and shall be treated as a disqualified member. If the disqualified member joins another household, the disqualification period for that individual shall continue until the disqualification period is completed.

The first time an individual refuses to comply with work registration or fails without good cause to comply with Employment First, the individual shall remain ineligible until the later of the date the individual becomes eligible by complying with requirement or the date that is one month after the date the individual became ineligible.

The second time an individual becomes ineligible, the individual shall remain ineligible until the later of the date the individual becomes eligible by complying with requirements or the date that is three months after the date the individual became ineligible.

The third or subsequent time that an individual becomes ineligible, the individual shall remain ineligible until the later of the date the individual becomes eligible by complying with requirements or the date that is six months after the date the individual became ineligible.

Ineligibility shall continue either until the member complies with the requirement or becomes exempt

(other than by Title IV-A/IV-F, CRSP registration or UCB application). If an individual has served the disqualification, but the case has the certification expire during the disqualification period, the nonexempt individual will be eligible at the later of the date of the application or the date of compliance with Employment First.

The disqualification period shall begin the month following the expiration of the notice of adverse action, unless a fair hearing is requested. The member may stop the disqualification if the member becomes exempt from these requirements during the disqualification period. The disqualified member shall continue to be disqualified for noncompliance but may resume participation after the disqualification period (if otherwise eligible) by becoming exempt from work registration or complying with the appropriate work requirement. A disqualified member will be added back into the household after the disqualification period is over if the individual has complied with Employment First or has become exempt.

The action to add the ineligible member would be handled as a reported change.

The Employment First Program shall determine when an individual has refused or failed to comply with an Employment and Training requirement.

The food stamp office and Employment First shall consider the facts and circumstances, including information submitted by the household member involved to determine whether good cause for the noncompliance exists. Good cause shall include circumstances beyond the member's control, such as, but not limited to, illness, illness of another household member requiring the presence of the member, a household emergency, the unavailability of transportation.

If good cause does not exist, Employment First will initiate the Notice of Adverse Action within five calendar days of determining noncompliance, advising the household member of the pertinent Employment First requirements and the consequences of failing to comply. The household member shall be informed of the actions necessary for compliance and the date by which compliance must be achieved to avoid disqualification. To avoid disqualification, the member must perform a verifiable act of compliance as established by Employment First. Verbal commitment by the household member is not sufficient, unless the household member is prevented from complying by circumstances beyond the household member's control.

If Employment First advises the food stamp office of noncompliance with work requirements and requests that the food stamp office issue the Notice of Adverse Action (NOAA), the food stamp office shall issue the NOAA to the individual no later than 10 calendar days from the notice from Employment First. Both the NOAA and the disqualification may be cancelled if Employment First verifies that compliance was achieved before the NOAA was issued or before the period of adverse action expires.

B-4215.48 (None)

B-4215.49 Failure to Comply with Title IV-A/IV-F Component, CRSP Job Search, or Unemployment Compensation Work Requirements

A household containing a member who was exempt from food stamp work registration and Employment First requirements because he or she was registered for work under Title IV-A/IVF, CRSP, or was a registrant for unemployment insurance, and who fails to comply with a comparable Title IV-A/IVF, a comparable CRSP, or a comparable unemployment compensation job search requirement, shall be treated as though the member had failed to comply with food stamp employment and training requirements.

B-4215.5 RIGHT TO A FAIR HEARING

Each individual has a right to appeal a denial, reduction, or termination of benefits due to a determination of non-exempt status or failure to comply with Employment First. The individual may also appeal action by

Employment First or food stamp office determining exemption status, the type of requirements imposed, or refusal to make a finding of good cause.

If a fair hearing is requested, the individuals shall be allowed to examine their Employment First case file at a reasonable time before the fair hearing. Confidential information (which may include test results) should be protected from release. However, information withheld from the individual may not be used by either party at the hearing. A representative of Employment First shall receive sufficient advance notice to be available for questioning either in person or by phone. The results of the fair hearing shall be binding on the food stamp office.

B-4215.6 REQUIREMENTS FOR COUNTY PARTICIPATION IN THE FOOD STAMP EMPLOYMENT AND TRAINING PROGRAM

In Colorado, the employment and training program under the Food Stamp Act of 1977 is called Employment First. The purpose of the program is to assist members of households participating in the Food Stamp Program in gaining skills, training, work, or experience that will increase their ability to obtain regular employment. All counties must operate an Employment First program unless they can demonstrate their county has a 10% unemployment rate or there is an insufficient number of jobs available.

A county department wishing to or required to administer an Employment First program must submit a start-up plan in a format prescribed by the state department to the State Work Programs Unit for approval. Upon approval of the plan, the state department shall notify the county department of such approval, plus any conditions or limitations required for the approval. The state department shall keep on file official copies of Food Stamp Employment First plans for public inspection.

An annual Employment First Plan of Operation is required for a county to maintain Employment and Training status. The annual plan will be submitted in a format prescribed by the state. Operation of an Employment First program is contingent on approval of the county plan of operation.

A county department may enter into a contractual agreement for all or any part of the Employment First program service delivery. These contractual agreements must be reviewed by the state department for adherence to program requirements before implementation. The only exception is that the Section 20 workfare, Colorado Workfare, may only be operated by a public or private non-profit agency. Employment First funds shall not be used to supplant funds used for existing services and activities that promote the purpose of any component.

Every Employment First program must monitor participants who work at least 20 hours a week, averaged monthly, but who do not yet work 30 hours a week or earn wages equal to at least 30 hours a week times the prevailing minimum wage.

- A. A county must also provide each non-exempt 18-to 50-year-old work registrant who is not working at least 20 hours a week, a Section 20 workfare program, or other component or combination of components that equal a minimum of 20 hours of participation weekly. Allowable components include the following:
1. Educational programs or activities to improve basic skills and literacy or otherwise improve employability, including, but not limited to, general equivalency degree (GED), adult basic education, English as a Second Language, vocational training and employability training.
 2. Community service program participation.
 3. A program designed to increase the self-sufficiency of recipients through self-employment including programs that provide instruction for self-employment.

4. A program under the Workforce Investment Act (WIA).
5. A program under Section 236 of the Trade Act of 1974.
6. A county may also provide those individuals who are exempt from the 18- to 50-year-old work requirements in Section B-4215.45 with a job seeking skills component approved by the state office.

B. The local Employment First provider shall:

- schedule the first appointment with Employment First within 14calendar days from the date referred from the food stamp office.
- enter required information from the work registration form into the Employment First automated system for each person referred from the food stamp office to the Employment First
- create a case file for each individual referred by the food stamp office to Employment First
- complete an assessment as prescribed by the state office and provide appropriate service for each referred, non-exempt participant who reports to Employment First
- complete a participant contract for each individual enrolled in an Employment First activity
- notify the food stamp office of the determination of non-compliance without good cause
- compile data and submit required reports within prescribed timeframes
- coordinate program operations with the state Employment First staff
- assure that participants receive the appropriate reimbursement for participation
- utilize required forms as prescribed or approved by the state
- attend scheduled Employment First program meetings and training as required
- ensure that all funds expended are allowable program costs
- ensure program services are not suspended for longer than 14 consecutive days for any reason.
- at a minimum, maintain monthly contact with each Employment First participant.
- verify all reported employment.

B-4215.7 COLORADO WORKFARE PROGRAM

All counties with an Employment First program can operate a Section 20 Workfare program. In Colorado, Section 20 Workfare is called the Colorado Workfare program. Only a public or private non-profit agency can be designated as the operating agency for Workfare. The operating agency is responsible for administering Workfare in accordance with state regulations and policy. An annual plan of operation must be submitted to Employment First Workfare office by the operating agency.

The operating agency is identified as the organization that has been identified in the plan as being responsible for establishing and monitoring job sites, interviewing and assessing eligible recipients,

assigning eligible recipients to appropriate job sites, monitoring participant compliance and making the initial determination of good cause for household noncompliance.

Workfare job slots may only be located in public or private, nonprofit agencies. There must be a written agreement (EF-244), between Workfare Program and any separate job site sponsors. One copy of the agreement must be forwarded to the state Employment First office.

Files must be maintained that record all activity by workfare participants. At a minimum, these records must contain household identification information, job sites and hours assigned, hours completed, copies of all communication with the participant and all communications with the job site sponsor. These files may become part of the participant's file, but must be maintained as a separate section. All files must be kept accessible for a minimum of three years from the date of referral.

Under the workfare program, nonexempt food stamp recipients may be required to perform work in a public service capacity as a condition of eligibility to receive the food stamp coupon allotment to which their household is normally entitled. The goal of workfare is to improve job skills and enable individuals to move into unsubsidized employment.

Household members subject to the work registration requirements shall also be subject to the workfare requirements in those counties that operate a workfare program.

In addition, those food stamp recipients exempt from work registration requirements due to being subject to the work requirements under Title IV-A/IV-F of the Social Security Act shall be subject to workfare if they are currently participating less than 20 hours a week in Title IV-A/IV-F and do not have a child under six years of age. Such participation shall be outlined in the Title IV-A/IV-F employability plan.

Those recipients exempt from work registration requirements due to the application for or receipt of unemployment compensation shall also be subject to Section 20 workfare requirements.

Those recipients exempt from work registration requirements due to being a parent or other household member responsible for the care of a dependent child under the age of six shall be subject to workfare requirements once the child reaches the age of six. If the child has his/her sixth birthday, within a certification period, the individual responsible for the care shall be subject to the workfare requirements as part of the next scheduled recertification process, unless otherwise exempt.

B-4215.71 Referral to Employment First/Workfare

The county food stamp office shall provide the food stamp Workfare Counselor with the case name, case number, names of workfare eligible household members, address, certification period, and the amount of the allotment the household is receiving. Any part time work by a member shall also be indicated. The referral will be made on the EF-102 Form.

The food stamp Workfare Counselor shall notify any workfare participant of where and when the participant is to report, to whom the participant is to report, a brief description of duties for the particular placement, and the number of hours to be worked. The EF-211, Assignment Agreement and Guidelines, is to be used.

No participant shall be required to accept an offer of workfare employment if such employment fails to meet the criteria established in B-4215.32, "Suitability of Work" and B-4215.33, "Registrant Proof of Unsuitability" .

The food stamp Workfare Counselor shall assure that all persons employed in workfare jobs receive job-related benefits to the same extent as similar non-workfare employees. These benefits are related to the actual work being performed, such as worker's compensation, and not to employment by a particular agency, such as health benefits.

All persons employed in workfare jobs shall have working conditions provided other employees similarly employed. The provision of Section 2(a)(3) of the Service Contract Act of 1965 (Public Law No. 89-286), relating to health and safety conditions, shall apply to the workfare program.

Workfare participants shall not replace or prevent employment of an individual not participating in the workfare program. Vacancies, due to hiring freezes, terminations or layoffs, shall not be filled by a workfare participant unless it can be demonstrated that such vacancies are a result of insufficient funds to sustain former staff levels.

Workfare jobs shall not infringe on the promotional opportunities available to regular employees. Workfare jobs shall not be related in any way to political activities.

B-4215.72 Period of Participation

An individual initially certified for food stamps may be required to look for work for a period of 30 calendar days before the individual is assigned to a workfare job site.

The maximum total number of hours of work required of a household each month in the workfare program shall be determined by dividing the household's food stamp allotment by the federal minimum wage. Fractions of hours of obligation shall be rounded down. The household's hours of obligation for any given month may not be carried over into another month except when the household wishes to end a disqualification due to noncompliance.

No workfare participant shall be required to work more than eight hours a day. A participant may volunteer to work additional hours beyond those required by his/her workfare obligation. Food stamp recipients not placed by the Title IV-A/IV-F (Colorado Works) program may be required to work up to, but not to exceed, 30 hours a week. Participants placed in Workfare by the Title IV-A/IV-F program shall meet the hours required by that program.

B-4215.73 Participant Reimbursement

The workfare program shall reimburse or provide allowances to participants for actual costs of transportation or other costs as determined necessary by the workfare counselor and directly related to participation. This reimbursement shall be based on actual costs incurred and verified to the Workfare Counselor.

Reimbursable costs may include the cost of personal items or equipment required for the performance of work if these items are also purchased by regular employees. The costs of meals away from home shall not be reimbursed. Dependent care costs that are reimbursed may not be claimed as expenses in calculating the household benefits.

B-4215.74 Disqualification for Failure to Comply with Workfare Assignment

The Workfare Counselor shall notify the food stamp office of noncompliance with workfare by providing a description of the particular act of noncompliance committed. The determination of failure to comply with the workfare program is handled in the same manner as with the Employment First determination. The sanction process for Title IV-A/IV-F employment program participants shall be governed by Title IV-A/IV-F rules and be the responsibility of the Title IV-A/IV-F case manager.

The food stamp office and the Workfare Counselor shall consider the facts and circumstances, including information submitted by the household member involved and the employer to determine whether good cause for the noncompliance exists. Good cause shall include circumstances beyond the member's control, such as but not limited to, illness, illness of another household member requiring the presence of that member, a household emergency, the unavailability of transportation, conflict due to compliance with Unemployment Compensation or Title IV-A/IV-F requirements.

Good cause includes a household that moves out of the area of the workfare project. In addition, instances where cost of transportation and other costs have exceeded \$25 per month and are not being reimbursed will also be considered good cause.

Within 10 calendar days of the determination of noncompliance with a workfare assignment without good cause, the food stamp office shall provide the participant with an FS-4J Notice of Adverse Action. Such notice shall contain the particular act of noncompliance committed, the proposed period of disqualification and shall specify that the individual may reapply at the end of the disqualification period and that participation may resume if the disqualified household member is determined eligible. The notice shall also specify the terms and conditions on which disqualification can be ended.

The disqualification period for noncompliance with Workfare shall be handled in the same manner as the disqualification for failure to work register or noncompliance with Employment First (Section B-4215.47, "Disqualification Period").

The disqualification period shall begin with the first month following the expiration of the adverse notice period, or following a fair hearing if requested, in which the household would normally have received benefits. A household member shall not be required to perform work at a job site when the household is no longer receiving benefits unless the household has chosen to meet the conditions for ending disqualification. Until the disqualification is actually invoked, the household, if otherwise eligible, will continue to have a workfare obligation.

Voluntary participants in workfare shall not be disqualified for failure to comply.

If a sanctioned household member joins another food stamp household, that household's eligibility shall be determined by counting all income and resources of the sanctioned individual in their entirety. The individual disqualified for noncompliance with workfare shall not be included when determining the allotment level. The entire allowable deductions shall apply to the remaining members. The food stamp office shall ensure that no allotment is increased as a result of the disqualification for workfare noncompliance.

Following the end of the disqualification period for noncompliance with the workfare provisions, an individual may resume participation in the Food Stamp Program if the individual complies and is determined eligible or becomes exempt from these requirements.

If an overissuance is discovered for a month or months in which a participant has already performed a workfare or work component requirement, the food stamp office shall follow claim recovery procedures specified below.

- A. If a person who performed the work is still subject to a work obligation, the food stamp office shall determine how many extra hours were worked because of the improper benefit. The participant should be credited that number of hours toward future work obligations.
- B. If a workfare or work component requirement does not continue, the food stamp office shall determine whether the overissuance was the result of an intentional program violation (IPV), an inadvertent household error (IHE) or an agency error. For an IPV, a claim should be established for the entire amount of the overissuance. If the overissuance was caused by an IHE or agency error, the food stamp office shall determine whether the number of hours worked in workfare are more than the number which could have been assigned had the proper benefit level been used in calculating the number of hours to work. A claim shall be established for the amount of the overissuance not "worked off" if any. If the hours worked equal the amount of hours calculated by dividing the overissuance by the federal minimum wage, no claim shall be established. No credit for future work requirements shall be given.

B-4215.75 Right to a Fair Hearing

Each individual has a right to appeal a denial, reduction, or termination of benefits due to a determination of non-exempt status or failure to comply with workfare. The individual may also appeal action by the Workfare Program or food stamp office determining exemption status, the type of requirements imposed, or refusal to make a finding of good cause.

If a fair hearing is requested, the individual shall be allowed to examine its workfare case file at a reasonable time before the fair hearing. Confidential information (which may include test results) should be protected from release. However, information withheld from the member may not be used by either party at the hearing. A representative of the workfare program shall receive sufficient advance notice to be available for questioning either in person or by phone. The results of the fair hearing shall be binding on the food stamp office.

B-4216 VOLUNTARY QUIT PROVISION

No individual who quit his or her most recent job without good cause or reduces work effort and, after the reduction, is working less than 30 hours each week, without good cause, or earning less than 30 hours times the minimum wage, shall be eligible for participation in the food stamp program as specified below. At the time of application, the eligibility technician shall explain to the applicant the potential penalties if a household member quits his or her job or reduced hours or wages without good cause or if another member joins the household if that individual has voluntarily quit employment.

When a household files an application, or when a participating household reports the loss of a source of income or reduction in hours, the food stamp office shall determine whether any household member voluntarily quit or reduced his or her hours or income. Benefits shall not be delayed beyond the processing standards as specified in the section NORMAL PROCESSING STANDARD: 30 DAYS pending the outcome of this determination. A sanction would be imposed if the quit or reduction in hours or wages occurred within 60 calendar days prior to the date of application or anytime thereafter; and the quit or reduction was without good cause. An employee of the federal government, or of a state or local government who participates in a strike against such government, and is dismissed from his or her job because of participation in the strike, shall be considered to have voluntarily quit his or her job without good cause. If an individual quits a job, secures new employment at comparable wages or hours, and, through no fault of his or her own loses the new job, the earlier quit will not be a basis for disqualification.

In the case of an applicant household, the food stamp office shall determine whether any currently unemployed household member who is required to register for work or was exempt from registration for being employed has voluntarily quit his or her most recent job within the last 60 days. If the food stamp office learns that a household has lost a source of income after the date of application but before the household is certified, the food stamp office shall determine whether a voluntary quit occurred.

The nonexempt individual who quit or reduced workhours will be ineligible to participate for the sanction period if the household is determined eligible for the Food Stamp Program. The individual will be required to comply with Employment First following the sanction period unless the individual becomes exempt from work requirements.

In the case of the participating household, the food stamp office shall determine whether any household member voluntarily quit his or her job while participating in the program. If a household is already participating when a quit which occurred prior to certification is discovered, the household shall be regarded as a participating household.

Upon a determination that the individual voluntarily quit employment, reduced work hours below 30 hours, or wages below 30 hours times minimum wage, the food stamp office shall determine if the voluntary quit was with good cause.

If an individual voluntarily quits or reduces work hours/wages without good cause, the individual will be disqualified in the same manner as individuals failing to comply with work registration or Employment First

requirements (Section B-4215.47 DISQUALIFICATION PERIOD).

If the food stamp office determines that the individual voluntarily quit his or her job or reduced his or her work hours without good cause while participating in the food stamp program, the food stamp office shall provide the household with a notice of adverse action within ten (10) calendar days after the determination of a voluntary quit is made. The notice shall contain the particular act of noncompliance, the proposed period of disqualification, the action to be taken at the end of the disqualification and shall specify that the individual may be included in household after the disqualification period if the individual meets other work requirements.

Individuals have the right to a fair hearing to appeal a disqualification due to a determination that the individual quit his or her job without good cause or reduced his or her work hours without good cause. If a participating household requests a fair hearing and the food stamp office determination is upheld, the disqualification period shall begin the first of the month after the hearing decision is rendered.

B-4216.1 GOOD CAUSE FOR QUIT OR REDUCING WORK HOURS

Upon a determination that the individual voluntarily quit employment, the food stamp office must determine if there was good cause which shall include, but not be limited to, any of the following:

- A. Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin or political beliefs;
- B. Work demands or conditions that render continued employment unreasonable such as working without being paid on schedule;
- C. Acceptance by the individual of employment; or enrollment of at least half-time in any recognized school, training program or institution of higher education, that requires the individual to leave employment;
- D. 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 in another county or political sub-division which requires the household to move and thereby requires the individual to leave employment;
- E. Resignation by persons under the age of 60 which are recognized by the employer as retirement;
- F. Resignation from employment which does not meet suitable criteria specified in the section SUITABILITY OF WORK;
- G. Because of circumstances beyond the control of the individual, accepted full time employment subsequently either does not materialize or results in employment of less than 30 hours a week or weekly earnings of less than the Federal minimum wage multiplied by 30 hours;
- H. Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another, such as migrant farm labor or construction work, even though employment at the new site has not actually begun;
- I. Illness of the head of household;
- J. Illness of another household member requiring the presence of the head of household;
- K. A household emergency;
- L. The unavailability of transportation; or

M. Employer demands a reduction in participant's work effort or salary through no fault of the participant.

B-4216.42 Verification

If information regarding the termination of employment is questionable, verification is necessary. The primary responsibility for providing verification rests with the household. If it is difficult or impossible for the household to obtain documentary evidence in a timely manner, the Food Stamp Office shall offer assistance.

Acceptable sources of verification include, but are not limited to, the previous employer, employee associations, union representatives and grievance committees. Whenever documentary evidence is not available, a collateral contact shall be used.

If the household and the Food Stamp Office are unable to obtain verification for questionable claim of resignation from employment due to discrimination practices or unreasonable demands by an employer, because an employer cannot be located, the household will not be denied.

B-4217 STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

Any person who is age 18 through 49 physically and mentally fit and enrolled at least half time in an institution of higher education shall not be eligible to participate in the Food Stamp Program unless the person meets at least one of the criteria listed in the section entitled Student Eligibility Criteria.

Institutions of higher education are defined as those institutions which normally require a high school diploma or equivalency certificate for a student to enroll. Post-high school education includes, but is not limited to, colleges, universities, and post-high school level technical and vocational schools.

Student ineligibility does not apply to persons age 17 or under or 50 or over, persons who are physically or mentally unfit for employment (including students participating through or in a vocational rehabilitation program), persons attending school less than half time, persons enrolled full time in schools and training programs which are not institutions of higher education, persons attending high school, and persons participating in an on-the-job training program. On-the-job training is defined as training in an employment environment. It does not include an internship, field work or practical experience associated with a course of higher education.

If mental or physical unfitness for employment is claimed and the unfitness is not evident to the food stamp office, verification may be required. Appropriate verification may consist of receipt of temporary or permanent disability benefits, or a statement from a physician or licensed psychologist.

B-4217.1 STUDENTS ELIGIBILITY CRITERIA

To be eligible to participate in the Food Stamp Program, a student shall meet at least one of the following criteria.

- A. The student is employed for a minimum of 20 hours per week and is paid for such employment. The student must be employed 20 hours each week, regardless of wages received. The weekly employment of 20 hours is not intended to be a weekly average over the certification period.

If the student is self-employed, the student must work a minimum of 20 hours a week and have earnings after allowable business expenses are deducted equal to at least the federal minimum wage multiplied by 20 hours.

- B. The student is participating in a state or federally financed work study program. The student must be approved for a work-study program at the time of application for food stamps. The work-study must be approved for the school term and student must anticipate actually working during that

time. The student qualifies for this exemption the month the school term begins or the month work-study is approved, whichever is later. The exemption will continue until the end of the school term or until it becomes known that the student has refused an assignment. The exemption shall not continue between terms when there is a break of one full month or longer unless the student is participating in work-study during the break.

- C. The student is responsible for the more than half of the physical care of a dependent household member under the age of six, or a full-time student who is a single parent with responsibility for the care of a dependent child under age 12.

The single parent provision applies in those situations where only one natural, adopted, or stepparent regardless of marital status is in the same food stamp household as the child. A full-time student in the same food stamp household with a child who is under his/her parental control may qualify if he/she does not reside with his/her spouse.

- D. The student is responsible for more than half of the physical care of a dependent household member who has reached the age of six but is under the age twelve where the food stamp office has determined that adequate child care is not available to enable the individual to attend class and satisfy the requirement of item A. or item B. above.

- E. The student is receiving benefits from the Title IVA (Temporary Assistance to Needy Families) Program. The student's needs must be included in the grant to be eligible under this provision.

- F. The student is assigned to or placed in an institution of higher education through a program under the Workforce Investment Act (WIA), Employment First Program, a program under Section 236 of the Trade Act of 1974 (19 USC 2296), another program for the purpose of employment and training operated by the state or local government (program must have at least one component equivalent to food stamp employment first program), or as a result of participating in the JOBS program under Title IV of the Social Security Act.

Self-initiated placement during the period of time the person is enrolled in one of these employment and training programs shall be considered to be in compliance with the requirements of the employment and training program in which the person is enrolled. This placement is considered in compliance provided that the program has a component for enrollment in an institution of higher education and that program accepts the placement. Persons who voluntarily participate in one of these employment and training programs and are placed in an institution of higher education through or in compliance with the requirements of the program shall also qualify for the exemption.

- G. The student is participating in an on-the-job training program. A person is considered to be participating in an on-the-job training program only during the period of time the person is being trained by an employer.

B-4217.2 ENROLLMENT STATUS DETERMINATION

The enrollment status of a student shall begin on the first day of the school term of the institution of higher education. Once a student enrolls in an institution of higher education, such enrollment shall be deemed continuous through normal periods of class attendance, vacation, and recess unless the student graduates, is suspended or expelled, drops out or does not intent to register for the next normal school term (excluding summer session). It is possible for a student to enroll prior to the beginning of the school term. However, for eligibility purposes, enrollment starts when the student starts classes.

B-4217.3 INCOME AND RESOURCES OF INELIGIBLE STUDENTS

The income and resources of an ineligible student living with a household shall not be considered in

determining eligibility or level of benefits of the household.

B-4218 STRIKERS

Strikers include anyone involved in a strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective bargaining agreement) and any concerted slowdown or other concerted interruption of operations by employees.

Households containing a striking member shall not be eligible for food stamps unless the household was eligible for the program the day prior to the strike, and is otherwise eligible at the time of application. See B-4316 for specific information.

B-4218.1 HOUSEHOLDS NOT AFFECTED BY THE STRIKER PROVISIONS

Examples of non-strikers who are not affected by the striker provision include:

- A. Employees subject to a lockout,
- B. Employees unable to work as a result of other striking employees (e.g., a paper strike closes operations at a printing company, therefore, pressmen are out of work),
- C. Employees not wanting to cross a picket line due to fear of personal injury or death,
- D. Employees who are exempt from work registration requirements during the strike.

B-4219 (None)

B-4220 FINANCIAL CRITERIA [Rev. eff. 2/1/11]

Financial criteria for eligibility shall apply to all households except for those eligible under basic categorical eligibility in regards to net or gross income tests. Income shall be considered prospectively for the issuance month based on the eligibility worker's anticipation of the household's monthly income and the value of its resources.

B-4220.1 INCOME ELIGIBILITY STANDARDS [Rev. eff. 2/1/11]

Participation in the program shall be limited to those households whose incomes are determined to be a substantially limiting factor. The gross and net income standards of eligibility shall be based on the federal income poverty levels established as provided in Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) and as stated in Section 273.9(A) of the Code of Federal Regulations; no later editions or amendments are incorporated. Copies of these regulations are available for inspection during normal working hours or by contacting: Director, Food Assistance Programs Division, Colorado Department of Human Services, 1575 Sherman Street, Denver, Colorado 80203.

Income eligibility is determined based on the composition of the household:

- A. Expanded categorically eligible households that do not include a member who is elderly or is a person with a disability shall have gross income at or below one hundred thirty percent (130%) of the federal poverty level and have a net income at or below one hundred percent (100%) of the federal poverty level.

Households that do include a member who is elderly or a person with a disability shall have gross income at or below two hundred percent (200%) of the federal poverty level and have net income at or below one hundred percent (100%) of the federal poverty level.

- B. Basic categorically eligible households shall be deemed as having met gross and net income limits.
- C. Households which are not considered expanded or basic categorically eligible shall meet income eligibility standards as follows:
1. Households that do not include a member who is elderly or is a person with a disability shall have gross income at or below one hundred thirty percent (130%) of the federal poverty level and have a net income at or below one hundred percent (100%) of the federal poverty level.
 2. Households that do include a member who is elderly or is a person with a disability shall have a net income at or below one hundred percent (100%) of the federal poverty level.
- D. For household members who are persons that are elderly or have a disability, who are unable to purchase and prepare meals because he or she suffers from a disability considered permanent under the Social Security Act or a non disease-related, severe, permanent disability, may be considered, together with his or her spouse (if living there), a separate household from the others with whom the individual lives. The combined income of the others with whom the elderly disabled individual resides (excluding the income of the elderly and disabled individual and his or her spouse) must not exceed one hundred sixty five percent (165%) of the poverty level.

Household members who are ineligible due to citizenship status, intentional program violation, failure to cooperate with work programs, or failure to provide or apply for a Social Security Number, shall be excluded when determining the household size and the appropriate income eligibility maximum and/or level of benefits.

B-4220.11 Net Income for Eligibility [Rev. eff. 2/1/11]

All households except those who are eligible under basic categorical eligibility, whose income does not exceed the gross income level as outlined in Section B-4220.12, shall have their eligibility for benefits computed allowing the earned income, standard, dependent care, and shelter deductions, as appropriate. The household shall be eligible only if its monthly gross income, less the allowable food assistance deductions, is below the maximum net eligibility level. A household that exceeds the eligibility level must be denied.

A household that is ineligible for either expanded or basic categorical eligibility and includes a member who is elderly or is a person with a disability, as defined in Section B-4214.1, Subsection C, shall be eligible for food assistance benefits if its monthly nonexempt earned and unearned income, less all applicable deductions, including the earned income, standard, medical, dependent care and unlimited excess shelter deduction, does not exceed the maximum net income level. Information regarding income limits and deductions shall be sent to all county departments of human services every October in an Agency Letter; no later editions or amendments are incorporated. This information may be accessed on the Colorado Department of Human Services web site at: www.cdhs.state.co.us/policies.htm or by contacting: Director, Food Assistance Programs Division, Colorado Department of Human Services, 1575 Sherman Street, Denver, Colorado 80203.

If a household contains a member who is fifty-nine (59) years old on the date of application, but who will become sixty (60) years of age before the end of the month of application, the food assistance office shall determine the household's eligibility as if the person is sixty (60) years of age.

B-4220.12 Gross Income Eligibility Determination [Rev. eff. 2/1/11]

A household, except those eligible under basic categorical eligibility, that does not include a member who is elderly or is a person with a disability, as defined in Section B 4214.1, Subsection C, may be eligible if its monthly non-exempt earned and unearned income does not exceed the gross income level. The gross

income level for households that do not include a member who is elderly or a person with a disability is one hundred thirty percent (130%) of the federal poverty level. The gross income level for households eligible under expanded categorical eligibility that include an elderly or disabled member is two hundred percent (200%) of the federal poverty level. Information regarding income limits and deductions shall be sent to all county departments of social/human services every October in an Agency Letter; no later editions or amendments are incorporated. This information may be accessed on the Colorado Department of Human Services web site at: www.cdhs.state.co.us/policies.htm or by contacting: Director, Food Assistance Programs Division, Colorado Department of Human Services, 1575 Sherman Street, Denver, Colorado 80203.

Except for households that are eligible under basic categorical eligibility, a household without an elderly or a person with a disability shall be ineligible for food assistance if its monthly income, before deductions, exceeds the gross income level. In such case, there is no computation to consider deductions. Instead, a Notice of Action is completed to deny the household.

B-4220.13 Conversion Due to Gain or Loss of Elderly or Disabled Member

When a certified household has an elderly or disabled person move into or out of the household, or has a member who becomes sixty (60) years old or begins to receive SSI, or disability payments, or veterans benefits, or otherwise becomes classified as elderly or disabled person as defined in Section B-4214.1, Subsection C, a reportable change shall be acted upon within 10 days from the day the food stamp office is notified. If the change is not one which the household is required to report, and it is unknown to the food stamp office, the net income eligibility standard will be applied at the time of recertification.

B-4220.2 DETERMINING INCOME ELIGIBILITY

Income eligibility shall be determined prospectively based on the eligibility worker's anticipation of income at the time of application and when changes are made known to the food stamp office. (See the section "Prospective Budgeting" for regulations concerning anticipating income.)

When determining if a household is eligible under gross and/or net income limits, households shall have weekly or biweekly income converted to a monthly amount by using the Form FS-16, conversion chart.

B-4220.3 DETERMINING MONTHLY INCOME

Income shall be determined as it is anticipated to be received (see the section "Prospective Budgeting") unless the income is averaged over the certification period in accordance with the section "Averaging Income" .

Income of household members, including the amount of the disqualified person's income attributed to the household, shall be counted as income in the month received or the month it becomes available, unless the income is averaged over the certification period.

Regular ongoing monthly or semi-monthly earned income that is received early or late by a household due to a holiday, a weekend, or pay dates being changed will have income counted based on the regular pay schedule instead of the actual date of pay.

Households receiving monthly benefits such as public assistance or Social Security payments shall not have their monthly income varied merely because mailing cycles resulted in two payments in one month and none in the next month. Additionally, households newly applying for assistance in a county online with the COIN system may receive their first two public assistance warrants in the month of application. The portion of the income intended for the second month of participation shall be counted as income received in that second month for food stamp purposes.

Households containing a member of the Armed Services of the United States shall not have their monthly

income varied merely because the first day of the month falls on a holiday or weekend which resulted in two payments in the month and none in the subsequent month.

Monthly income amounts shall be rounded to the nearest dollar amounts. Each monthly income figure that ends in 1 through 49 cents is rounded down and each monthly income figure that ends in 50 through 99 cents is rounded to the next dollar.

When a full month's income is anticipated or received on a weekly or biweekly basis, the Form FS-18, Conversion Chart, shall be used to convert the amount of ongoing income to a monthly amount. Any cents in the gross weekly or biweekly earnings shall be used in converting income to a monthly amount.

B-4220.4 AVERAGING INCOME

Income intended to cover a specific period of time is divided by the number of months the income is intended to cover to obtain a household's average monthly income.

Income shall be averaged for:

- A. Public assistance households and nonpublic assistance households who derive their annual income from self-employment. These households shall have their income annualized over a 12-month period even if the income is received within a shorter period of time. For example, self employment income received by farmers or share croppers shall be averaged over a 12-month period if the income is intended to support the household on an annual basis.
- B. Public assistance households and nonpublic assistance households who derive their annual income from contract income, shall have that income averaged over a 12-month period. (This requirement is not applied to income from a contract received on an hourly or piecework basis.) For example, a teacher's contract income is averaged over a 12-month period.
- C. Households receiving educational income as defined in the section EDUCATIONAL MONIES. The income is prorated over the period of time it was intended to cover.

The types of households listed above shall have their self-employment income, contract income, or educational monies annualized or prorated, and added to other household income to determine monthly food stamp income.

Other households not previously mentioned, such as migrant or seasonal workers, may elect to have their fluctuating income averaged over the period of time the income is intended to cover.

Self-employment income, contract income, and fluctuating income intended to cover a specific period of time shall not be averaged or annualized for migrant households that are destitute of income as defined in the section DESTITUTE OF INCOME.

To average income prospectively, the eligibility worker shall use the household's anticipation of income, considering fluctuations, to obtain a monthly average amount for the period of certification. The number of months used to arrive at the average income need not be the same as the number of months in the certification period. For example, the known income from two previous months may be averaged and projected for each month of a certification period that is longer than two months. (Refer to computation of income in the self-employment section for more information on computing self-employment income.)

Fluctuating income that has been averaged requires the certification to be altered only if the household experiences a substantial change, such as bankruptcy or crop failure, or if the fluctuating income causes the assistance payment grant to be altered. (Refer to the section ACTION ON REPORTED CHANGES for information on how to process changes in income.)

B-4220.5 VARIABLE CERTIFICATION

When a household's actual income and deductions are used in lieu of averaging, the household's food stamp allotment may vary from month to month. Households may be issued Advance Notice of Action (Form FS-4) each time the benefit level varies, or a household may be given a variable certification period. Whenever a variable certification is used, the Form FS-4 shall show the different coupon entitlements for each month of the certification period.

The following are examples of the use of a variable certification:

If it is known in which month a particular expense will occur, such as the payment of taxes on the home, the total amount may be allowed in the month of payment rather than averaged over the period it is intended to cover. The result will be a varying monthly coupon entitlement over the period of eligibility to compensate for the household's fluctuating cash flow.

If a household's income is expected to change, such as when PA benefits are expected in the second month after application, a variable for the first month would enable a longer certification period.

Changes which occur during the certification period which could not be anticipated shall be acted on in accordance with the section "Action on Reported Changes".

B-4220.51 SUSPENSION OF ISSUANCE FOR HOUSEHOLDS

Households which would otherwise become temporarily ineligible due to a periodic increase in recurring income or become ineligible due to another change which is not expected to continue in the subsequent month shall have their issuance suspended.

Food stamp households may be placed in suspense for one month. Households not eligible for food stamps in the following issuance month must be discontinued from the food stamp program.

Households placed in suspense shall not receive a food stamp allotment for that issuance month. These households are considered to be eligible for the food stamp program although receiving a zero allotment for the month the household is in suspense.

If the suspended household again becomes eligible to receive an allotment after the month of suspense, the food stamp office shall issue benefits on the household's normal issuance date. A new application shall not be required if the current certification period has not expired during the month of the suspense.

B-4220.6 PROSPECTIVE BUDGETING

Prospective budgeting is the process of computing a household's allotment based on anticipated income and circumstances during the issuance month.

If the date of receipt or the amount of any anticipated income is uncertain, (that is, new job, PA application) that portion of income shall not be considered. Only the portion of income which can be anticipated with reasonable certainty concerning the amount and month in which monies will be received shall be counted as income.

Income received during the past 30 days shall be used as an indication of the income that will be received in the issuance month unless changes in income have occurred or can be anticipated which require proper adjustment.

If the prior 30-day period does not provide an accurate indication of anticipated income, a longer period of past time may be used if it will provide a more accurate indication of anticipated income. If a household's income fluctuates seasonally, it may be appropriate to use the last season rather than the last 30 days

although precaution must be taken to account for possible fluctuations or new circumstances. Except for eligible strikers, no household shall have the amount of any past income automatically attributed to it.

In cases where the receipt of income for households is reasonably certain but the monthly amount is expected to fluctuate, the household may qualify to have its income averaged to obtain a monthly amount. (Refer to the section "Averaging Income").

All food stamp households and all situations require prospective budgeting determinations, including public assistance households in which the members are required to report monthly for the receipt of benefits under the Title IVA (Temporary Assistance to Needy Families) program.

B-4221 HOUSEHOLD INCOME

Household income shall mean all earned and unearned income received or anticipated to be received by household members from whatever source, unless specifically exempted for food stamp eligibility and budgeting purposes.

With respect to all members of recipient households, the food stamp office shall use all wage match data supplied by the Department of Social Services wage data report and shall request and obtain such wage, employment, and worker's compensation information as may be available from the Colorado Department of Labor and Employment by means of Interjurisdictional Data Exchange (IDEX) and Colorado Unemployment Benefits System (CUBS), or other local automated capabilities.

With respect to income or resource information originating with the Internal Revenue Service (IRS) and provided through IEVS, the food stamp office must verify such information from another source and must verify applicant/recipient access to that income/resource. The food stamp office may not take adverse action on such information until independent verification is obtained, or until the applicant has been found to have failed to cooperate in providing the required verification. The information must also be verified prior to establishing a claim for an overissuance of benefits.

The nonexempt monthly income of a person who is not a member of the household due to disqualification because of (1) failure to provide or apply for a social security number, or (2) a determination that the individual is an ineligible alien shall be prorated among the household members and the disqualified individual. The income of the disqualified person less the amount of that person's pro rata share is included as income to the applicant household.

B-4221.1 EARNED INCOME SHALL INCLUDE THE FOLLOWING:

B-4221.11 Wages and Salaries

All payments for services as an employee, including garnishments, or money payments legally obligated to the employee and diverted to a third party for the employee's household expenses. Countable income from employment received by students in institutions of higher education while participating in federal or state work-study programs or a fellowship with a work requirement shall be considered as earned income.

Earned income includes government payments from Agricultural Stabilization and Conservation Service and wages of VISTA workers who entered the VISTA program after March 1, 1979, unless the VISTA worker was receiving public assistance or food stamps at the time he or she joined VISTA. See section entitled "Excluded by Other Federal Statute" .

Wages held at the request of the employee shall be considered income to the household in the month the wages would otherwise have been paid by the employer. Advances on wages shall count as income in the month received, if reasonably anticipated. However, wages held by the employer as a general practice shall not be counted as income unless the household anticipates that it will receive income from such wages previously withheld by the employer.

When an advance on wages is subsequently repaid from current wages, only the amount of wages received is considered as income. The amount of repayment is disregarded, even if the wage earner was not a food stamp participant at the time of the advance.

Payment for sick leave, vacation pay and bonus pay will all be considered as earned income, if the person is still employed while receiving the pay.

B-4221.12 Self-Employment

The total gross income from a self-employment enterprise, including the total gain from the sale of any capital goods or equipment related to the business, less the cost of doing business. Payments from a roomer or boarder shall be considered self-employment income.

Rental property shall be considered a self-employment enterprise. However, the income will be considered as earned income only if the household member (or disqualified person) actively manages the property at least an average of 20 hours per week.

B-4221.13 Training Allowances

Payments from vocational and rehabilitation programs recognized by federal, state or local governments, such as the Job Opportunities and Basic Skills (JOBS) program, to the extent they are not a reimbursement except for allowances paid under the Workforce Investment Act (WIA).

Earned income will include earnings to individuals who are participating in the on-the-job training under Section 204(5), Title II, of the Workforce Investment Act (WIA). This provision does not apply to household members under 19 years of age who are under the parental control of another adult member. Earnings include monies paid by the Workforce Investment Act (WIA) and monies paid by an employer.

B-4221.14 Title I Monies

Payments received under Title I (VISTA-University Year of Action) of the Domestic Volunteer Service Act of 1973 (pub. 93-113 stat., as amended) shall be considered earned income and subject to the earned income deduction, excluding payments made to those households specified in the section "Excluded by Other Federal Statute" .

B-4221.2 UNEARNED INCOME

Unearned income shall include, but not be limited to, the following:

B-4221.21 Assistance Programs

Payment from federal or federally aided public assistance programs, such as Supplemental Security income (SSI), or Temporary Assistance to Needy Families (TANF)/Title IV-A, or other assistance programs based on need, including payments from programs which require, as a condition of eligibility, the actual performance of work without compensation other than the assistance payments themselves. Payments identified as energy assistance would be excluded in accordance with the section entitled "Excluded by Other Federal Statute" .

Foster care payments for children or adults will only be included as income when the individual for whom the payment is intended is included as a member of the household. See Section entitled "Non-household Members" .

B-4221.22 Retirement and Disability

Payments from annuities, pensions, retirement, veterans or disability benefits, workmen's or

unemployment compensation, old age, survivors or social security benefits, and strike benefits.

B-4221.23 Support and Alimony Payments

Support and alimony payments made directly to the household from non-household members for normal living expenses.

B-4221.24 Educational Monies

Money that is legally obligated or otherwise payable to a household member for education which includes the amount from scholarships, educational grants, fellowships, deferred payment loans for education; veteran's educational benefits, and any other money received specifically for education expenses, less the amount that is made available for excludable expenses, shall be considered as unearned income. This provision would not apply to work-study or fellowships with work requirements.

Tuition, mandatory fees, books, supplies, transportation, dependent care, and miscellaneous personal expenses (other than normal living expenses) are allowed exclusions from educational income.

Educational monies are prorated over the period they are intended to cover. The first month that educational income would be counted is the month it is received although still prorated over the period it is intended to cover. See Section B-4222.62, entitled "Loans and Reimbursements to Students".

Educational loans on which payment is deferred, grants, scholarships, fellowships, veteran's educational benefits, and the like that are provided to a third party on behalf of the household for living expenses such as rent or mortgage, personal clothing or food eaten at home shall be treated as money payable directly to the household and not excluded as a vendor payment.

B-4221.25 Rental Income

Rental income is total income, less the cost of doing business, from rental property in which a household member (or disqualified individual) is not actively managing the property an average of at least 20 hours a week. See section entitled "Self-Employment".

B-4221.26 Income of Sponsored Aliens

Income of alien sponsors shall be considered as unearned income to households containing sponsored aliens. Refer to section entitled "Households Containing Sponsored Alien Members" for specific instructions.

B-4221.27 Vacation Pay, Sick Pay, Bonus Pay, Severance Pay

If vacation pay, sick pay or bonus pay is received in installment payments after a person has terminated employment, it is considered unearned income. If the pay is received in a lump sum, it would be considered as a resource in the month received.

B-4221.28 Gifts

Gifts from nonprofit organizations that exceed \$300 in a quarter or gifts from other sources of any amount if they can be anticipated and are not exempt as income under Section B-4222 entitled "Exempt Income".

B-4221.29 OTHER GAIN OR BENEFITS

Dividends, interest, royalties, and all other nonexempt direct money payments from any source whatever, which can be construed to be a gain or benefit.

Monies which are withdrawn from trust funds are income in the month received Dividends which the household has the option of either receiving as income or reinvesting in the trust must be considered as income in the month they are available to the household.

B-4221.3 INCOME VERIFICATION

Monthly nonexempt income shall be verified prior to initial certification unless the household is entitled to expedited service and postponed verification for one month Income is also verified for subsequent certifications when a household reports that the amount of income has changed more than \$25 or the source of income has changed.

B-4221.31 SOURCES OF INCOME VERIFICATION

For public assistance (PA) recipients, the PA casefile will normally be used as the source of verification.

For nonpublic assistance (NA) households, the primary source of verification for earnings and other income is the applicant. Applicants are primarily responsible for furnishing verification documents or sources, including the authorization needed to secure sufficient information to allow written or verbal verification by the eligibility worker. Some means of verification are pension award letters, and collateral contacts with employers, agencies or other persons having knowledge of the household.

With respect to all household members, including any excluded household members for whom a social security number (SSN) is available, the agency shall be responsible for requesting verification through the Income and Eligibility Verification System (IEVS), COIN, or directly from locally accessed automated information:

- A. Net earnings from self-employment, wages, and payments of retirement income maintained by the social security administration (SSA) and selected unearned income information available from the Internal Revenue Service (IRS).
- B. Federal retirement, survivors disability, SSI and related information available from SSA through BENDEX (Beneficiary Data Exchange), SDX (State Data Exchange), or TPQY (Third Party Inquiry).

All such information shall be requested at the first available opportunity after the date of application.

Determination of a household's eligibility and benefit level shall not be delayed past the application processing time standards if verification information is not available nor shall determination be delayed awaiting verification from the income and Eligibility Verification System.

When the applicant has continuing employment, the previous month's income is the best indication and source of verification of the amount of income the household may expect to receive However. if information (such as probable salary raise, overtime pay or layoff), supplied by the household or collateral contact, reveals that future income will differ substantially from the previous month's income, a reasonable estimate of income shall be made based on information obtained from the household members and/or collateral contacts. The method of determining and computing income shall be fully annotated in the case file.

When a collateral contact designated by the household cannot be expected to provide accurate third-party verification, the Food Stamp office shall ask the household to designate an acceptable collateral contact, provide an alternative form of verification, or substitute a home visit.

In some instances, however, all attempts to verify income may be unsuccessful because the person or organization has failed to cooperate with the household. A cooperating applicant shall not be denied solely because an employer refuses to provide verification. The eligibility worker shall, in consultation with

the applicant or other sources, arrive at a figure to be used for certification purposes, and annotate the household case file with information used to make an eligibility determination.

B-4221.311 VERIFICATION OF UNEMPLOYMENT INSURANCE BENEFITS

Verification of unemployment compensation insurance benefits, including beginning dates, duration of payments, and amount of payments can be obtained from the Colorado Department of Labor and Employment (DOLE).

With respect to all members of a recipient household, the food stamp office shall use UIB information received through the Income and Eligibility Verification System (IEVS). Recipient SSN's will be matched at least monthly with DOLE UIB records.

For applicants, the food stamp office shall, prior to approval of benefits match the applicants' SSN's (including ineligible or disqualified members SSN's) with DOLE UIB records.

B-4321.312 VERIFICATION OF STUDENT INCOME

Sources of income verification are the provider of the educational monies, the school, and the student's parents or guardians. These individuals may be contacted to determine the amount of any payments made to the household. Depending on the distance involved, contact may be made by telephone, mail or personal contact. If the mails are used, it is recommended that the eligibility worker mail the request for information directly to the parent or guardian and enclose an envelope for direct reply to the certification office.

If the household refuses to supply the name of a parent or other suitable collateral contact, the household may be denied participation for failure to cooperate. However, the failure of the third person contact to furnish the requested information may not be used as grounds to deny the household, if verification can be supplied by the applicant or through any other acceptable means.

B-4221.32 VERIFICATION IN CASES OF NO REPORTED INCOME

In addition to verifying reported income, the eligibility worker may have occasion to explore the possibility of unreported income. Prior to determining the eligibility of households who report no income or income so low as to place them at the maximum benefit level without consideration of deductible expenses, the eligibility worker must, through in-depth interviewing techniques, determine how the household maintains its existence and meets ongoing maintenance expenses. Collateral contacts with a person(s) knowing the household circumstances are recommended. The existence of resources might be an explanation of how the household exists at the level of income reported.

B-4221.4 DESTITUTE OF INCOME

Migrant or seasonal farmworker households may be considered destitute of income upon initial certification or recertification, but only for the first month of each certification period.

Migrant or seasonal farmworker households may have little or no income at the time of application even though they receive income at some time during the month of application. Such households will be considered destitute and thereby entitled to expedited application processing (See B-4011.6), if their only income is from a terminated and/or new source under the following circumstances:

1. The household's only income for the month of application was received from a terminated source prior to the date of application.

Income is considered from a terminated source if income which is normally received on a monthly or more frequent basis, is not expected to be received again from the same source during the

balance of the month of application or during the following month, (i.e., migrant work ended with one grower).

Income that is normally received less often than monthly is considered from a terminated source if it is not anticipated to be received in the month that it normally would be received (i.e., quarterly income not received in the normal third month).

2. The household's only income for the month of application is more than \$25 from a new source and it will not be received by the 10th calendar day after the filing date of an application for initial certification or by the 10th calendar day after the household's normal issuance cycle if the application is for subsequent certification (i.e., migrant working for different grower).

Income is considered from a new source, if income of more than \$25 which is normally received on a monthly or more frequent basis, has not been received from that source within 30 days prior to the filing date of application.

Income is considered from a new source if income of more than \$25 which is normally received less often than monthly was not received within the last normal interval between payments. For example, if a household applies in early January and is expecting to be paid every three months, starting in late January, the income shall be considered to be from a new source if no income of more than \$25 was received from the source during October or since that time.

A migrant farmworker's source of income shall be considered to be the particular grower, and not the crew chief. A migrant who moves from one grower to another shall be considered to have moved from a terminated source to a new source.

3. The household's only income is both that received from a terminated source prior to date of application and that income of more than \$25 received in the month of application from a new source, which will not be received by the 10th calendar day after the date of initial application, or by the 10th calendar day after the household's normal issuance cycle if application is for recertification.

There is no limit on the number of times a household can be considered destitute of income provided that before each subsequent expedited certification, the household either has completed the verification requirements that were postponed at the last expedited certification or the household was certified under normal processing standards since the last expedited certification.

B-4221.41 INCOME CALCULATION

Destitute households shall have their eligibility and level of benefits calculated for the month of application by considering only that income received between the first of the month and the date of application.

If it is an initial month application - the first application or an application received after the household's last certification period expired - the allotment for the initial month shall be prorated to cover days from date of application to the end of the month. (See B-4230.1.)

If income of more than \$25 from a new source has not been received or is not anticipated within 10 days from the date of initial application or within 10 days after the household's normal issuance cycle if applicable is for recertification, it shall be disregarded.

Travel advances provided by an employer to reimburse travel costs of relocation of a new employee is exempt income and does not affect the destitute status of a household. If the travel advance is, by written contract, an advance of wages that will be subtracted from wages later earned by the employee, the money is considered as income but shall not affect the determination of whether subsequent payments from the employer are from a new source of income nor whether the household shall be considered destitute. For example, if a household applies on May 10, has received a \$50 wage advance for travel

from its new employer on May 1, which by written contract is an advance on wages, but will not start receiving any other wages from the employer until May 30, the household shall be considered destitute. The May 30 payment shall be disregarded, but the wage advance received prior to the date of application shall be counted as income.

B-4221.42 DESTITUTE HOUSEHOLD VERIFICATION

The eligibility worker must obtain verification of identity of the head of household through documentation or collateral contact.

Verification of other factors of eligibility may be accomplished initially only if it does not cause a delay in the delivery of benefits to eligible destitute households. Verification of other factors of eligibility may be postponed for the first month of certification; however, any postponed verification must be obtained before the household is allowed to receive further benefits.

B-4222 EXEMPT INCOME

Income from certain sources will be excluded for food stamp eligibility purposes under mandate of law. Only the following will not be considered as income:

B-4222.1 MONIES INTENDED FOR NON-HOUSEHOLD MEMBERS

Monies received and used for the care and maintenance of a third-party beneficiary who is not a household member. If the intended beneficiaries of a single payment are both household and non-household members, any identifiable portion of the payment intended and used for the care and maintenance of the non-household member shall be excluded. If the non-household member's portion cannot be readily identified, the payment shall be evenly prorated among the intended beneficiaries and the exclusion applied to the non-household member's pro rata share or the amount actually used for the non-household member's care and maintenance, whichever is less.

B-4222.2 EARNINGS OF CHILDREN

The earned income of children who are under 18 years of age, who are members of the household and are students at least half-time in elementary or high school or classes to obtain a General Equivalency Diploma (GED) will be considered exempt income.

The exclusion shall continue to apply during temporary interruptions in school attendance due to semester or vacation breaks, provided the child's enrollment will resume following the break. If the child's earnings or amount of work performed cannot be differentiated from that of other household members, the total earnings shall be prorated equally among the working members and the child's pro rata share excluded.

If the student becomes 18 years of age in the month of application, the income will be excluded for the month of application and counted the following month. If the student turns 18 during the certification period, the income is excluded until the month following the month the student becomes 18 years of age.

Individuals are considered children for purposes of this provision if they are under 18 years of age, live with their natural parent, adoptive parent or stepparent, or are under the parental control of another household member other than a parent.

B-4222.3 RECOUPMENT

The following recoupments or repayments from any nonexempt income source shall be exempt as income as follows:

- A. Monies withheld from an assistance payment, earned income, or monies received from any nonexempt income source which are voluntarily or involuntarily returned to repay a prior overpayment received from that income source. However, monies withheld from a federal, state or local means-tested program (such as Title IV-A, State Old Age Pension), for purposes of recouping an overpayment which resulted from the household's intentional failure to comply with that program's requirements, shall not be exempted as income. See Section B-4322, entitled "Households with a Decrease in Income Due to Intentional Failure to Comply" , for specific instructions.
- B. Child support payments received by Title IV-A recipients which the household must transfer to the agency administering Title IV-D of the Social Security Act, in order to maintain their Title IV-A eligibility.

B-4222.4 IRREGULAR INCOME

Any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated, but not in excess of \$30 in three months.

B-4222.5 IN-KIND BENEFITS AND VENDOR PAYMENTS

An in-kind benefit is any gain or benefit received by the household which is not in the form of money such as meals, clothing, public housing or produce from a garden.

Vendor payments are money payments that are not payable directly to a household, but are paid to a third party for a household expense and are excludable as follows:

A payment made in money on behalf of a household shall be considered a vendor payment whenever a person or organization outside of the household uses its own funds to make a direct payment to either the household's creditors or a person or organization providing a service to the household.

Such payments include subsidies paid to the households and legally obligated to the landlord, rent or mortgage payments made directly to landlords or mortgagees by the Department of Housing and Urban Development (HUD), or payments by a government agency to a child care institution to provide day care for a household member are also excluded as vendor payments.

Moneys that are legally obligated and otherwise payable to the household, but which are diverted by the provider of the payment to a third party for household expense, shall be counted as income and not excluded as a vendor payment. The distinction is whether the person or organization making the payment on behalf of a household is using funds that otherwise would need to be paid to the household.

Effective September 1, 1988, any emergency Public Assistance (PA) or General Assistance (GA) payment which is provided to a third party on behalf of the migrant or seasonal farm worker household, while the household is in the job stream, will be excluded as income and considered as a vendor payment. These payments would normally be considered as income since the payment is legally obligated to the household.

Wages earned by a household member that are garnished or diverted by an employer, and paid to a third party for a household's expenses, such as rent, shall be considered as income. However, if the employer pays a household's rent directly to the landlord in addition to paying the household its regular wages, this rent payment shall be excluded as a vendor payment. In addition, if the employer provides housing to an employee, the value of the housing shall not be counted as income.

Assistance provided to a third party on behalf of a household by the state or local program shall be considered money payable directly to the household if the assistance is provided in lieu of (1) a regular benefit payable to the household for living expenses under a program funded under Part A of the Social

Security Act; or, (2) a benefit payable to the household for housing expenses under a state or local general assistance program or other assistance program comparable to general assistance.

Assistance payment made to a third party for medical, child care, or emergency/special assistance would be excluded as a vendor payment. Assistance payments provided by a state or local housing authority would also be excluded as income.

Energy assistance payments, other than for LEAP or a one-time payment under federal or state law for weatherization or to repair/replace an inoperative furnace or other heating or cooling device, that are made under a state or local program shall be counted as income. The exclusion will still apply if a down payment is made and is followed by a final payment upon completion of work. If a state law prohibits the household from receiving a cash payment under state or local general assistance (or comparable program), the assistance would be excluded. This applies to either an energy assistance payment or other type of payment. Energy assistance payments for an expense paid on behalf of the household under a state law shall be considered an out-of-pocket expense incurred and paid by the household. Energy assistance payments made under Part A of Title IV of the Social Security Act (42 U.S.C. 601, et seq.) is included as income.

In-kind or vendor payments which would normally be excluded as income but are converted in whole or in part to a direct cash payment under the approval of a federally authorized demonstration project (including demonstration projects created by a waiver of the provisions of federal law) shall be excluded from income.

Monies from alimony or a court-ordered child support payment which are required by a court order (or other legally binding agreement) to be paid to a third party rather than to the household shall be excluded from income as a vendor payment, even if the household agrees to the arrangement.

Payments in excess of the amount specified in a court order (or other legally binding agreement) which are paid to a third party in addition to a court-ordered vendor payment shall also be treated as a vendor payment.

B-4222.51 Court-Ordered Child Support Payable to Other Parties

Income which is diverted from a household by a court order to pay a child support payment to a non-household member is deducted from income for the household making the payment. See Section B-4223.6, "Deduction for Legally Obligated Child Support" .

B-4222.6 REIMBURSEMENTS

Reimbursement for past or future expenses, to the extent they do not exceed actual expenses, and do not represent a gain or benefit to the household. No portion of benefits provided under Title IV-A of the Social Security Act, to the extent such benefit is attributed to an adjustment for work related or child care expenses (except for payment or reimbursement for such expenses made under an education, employment or training program initiated under such title after September 18, 1988), shall be considered exempt under this provision. Reimbursements for normal household living expenses such as rent or mortgage, personal clothing, or food eaten at home are a gain or benefit and, therefore are not exempt.

To be excluded, these payments must be provided specifically and used for an identified expense, other than normal living expenses, and used for the purpose intended. When a reimbursement, including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses. The amount by which a reimbursement exceeds the actual incurred expense shall be counted as income. However, reimbursements shall not be considered to exceed actual expenses, unless the provider or the household indicates the amount is excessive.

Types of reimbursement for expenses include:

- A. Reimbursement or flat allowances for job or training related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site including migrant travel.
- B. Reimbursements for out of pocket expenses of volunteers incurred in the course of their work.
- C. Medical or dependent care reimbursements.
- D. Reimbursements received by households to pay for services provided by Title XX of the Social Security Act.
- E. Reimbursements made to the household for expenses necessary for participation in an education component under the Employment First program.

B-4222.61 LOANS

All loans will not be considered as income, except educational loans for which payment is deferred until completion of education. A loan on which repayment must begin within 60 days after receipt of the loan shall not be considered as a deferred repayment loan. This exemption includes loans from private individuals as well as commercial institutions.

B-4222.62 LOANS AND REIMBURSEMENTS TO STUDENTS

All education assistance on which payment is deferred, including grants, scholarships, fellowships, work-study, veteran's educational benefits and others that are awarded to a household member who is enrolled at a recognized institution of post-secondary education, at a school for the handicapped, in a vocational education program, in a vocational or technical school, or in a program that provides for completion of a secondary school diploma, or obtaining the equivalent of a secondary school diploma, will be allowed the following exclusions from consideration as income.

- A. "Totally Excluded" — The following should be totally excluded from consideration as income:

All student financial assistance received under Title IV (including assistance funded in whole or in part under Title IV) or Part E of Title XIII of the Higher Education Act or under the Bureau of Indian Affairs student assistance programs pursuant to section 479B and section 1345(c) of Public Law No. 102-325 and educational assistance received by a student under section 507 of the Carl D. Perkins Vocational and Applied Technology Education Act, Amendments of 1990, Public Law No. 101-392.

- B. "Not Totally Excluded" — The following is the procedure for handling educational assistance that is not totally excluded. These provisions apply to federal, state, local and private educational assistance received by a student, and educational assistance provided directly to the student's school or parent or guardian:

- 1. Earmarked

The food stamp office shall first exclude the amount of assistance identified (earmarked) by the institution, school, program, or other grantor as made available for the specific costs of:

- a. Tuition and mandatory school fees

The definition of mandatory fees includes the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study

involved. Thus, the exclusion of mandatory fees is no longer restricted to only those fees charged to all students or charged to all students within a certain curriculum. The food stamp office will use its judgment when applying the related provision to assure that expenses are truly incurred as a result of the pursuit of the student's course of study.

- b. Origination fees and insurance premiums on loans.
- c. Books and supplies.
- d. Transportation costs related to attendance including car repairs, loan payments, bus, plane or train fares, and normal commuting costs. Expenses may be estimated on a per mile basis.
- e. Miscellaneous personal expenses.

Costs must be related to attendance. Amounts earmarked for normal living expenses such as, but not limited to, clothing, food, rent, room and board, or personal hygiene items shall not be excluded. Food stamp offices should determine if the costs are related to attendance.

In situations where the institution, school, program, or other grantor has earmarked educational assistance or the allowable costs involved, but such earmarking identifies multiple sources of educational assistance and multiple expenses without specifically identifying which educational source is made available for which expense, the worker shall exclude the total amount of earmarked allowable costs from the total non-excluded educational income provided. The allowable costs shall not be excluded from each individual educational source unless clearly earmarked in that manner.

2. Non-Earmarked Expenses

If the institution, school, program, or other grantor does not earmark amounts for the allowable expenses of tuition, mandatory fees, books, supplies, dependent care, transportation, or miscellaneous personal expenses, an exclusion from educational income shall be granted for allowable educational expenses verified by the student as being used for such allowable expenses.

When the amounts earmarked by the institution, school, program, or other grantor are less than the student actually used for the allowable expense involved, an exclusion shall be allowed for amounts used over the earmarked amounts.

Students attending post-secondary school less than half-time are entitled to the exclusion of tuition and fees. Students must be attending at least half-time to have all allowable expenses excluded.

Amounts of an allowable expense to be excluded based on use are those incurred or anticipated for the period the educational income is intended to cover regardless of when the educational income is actually received. The first month that educational income would be counted is the month in which it is received although it is still prorated over the period it is intended to cover. If a student uses other income sources for allowable educational expenses in months before the educational income is received, the expense shall be excluded from educational income when the educational income is received.

3. Calculation of Income

Where a student receives more than one source of educational income that is not totally

excluded, all of the student's non-excluded educational income, except for non-excluded work-study income, shall first be totalled. Allowable expenses based on earmark and use shall be totalled and subtracted from this amount. If the non-workstudy income is not enough to cover the allowable expenses, any allowable expense not covered shall be excluded from the work-study income before the 20% earned income deduction is computed.

Where work-study income is received monthly in relation to costs of attendance that are usually incurred on a less frequent basis, the worker shall anticipate the work-study income for the appropriate quarter, semester, or year, exclude the allowable costs, and prorate the remaining amount over the quarter, semester or year.

The 20% earned income deduction shall be applied to work-study income and income from a fellowship with a work requirement remaining after the allowable exclusions are made.

An individual's total education income exclusions cannot exceed that individual's total educational income.

C. VERIFICATION

The student shall have the primary responsibility for obtaining and providing the food stamp office with verification of allowable exclusions. Acceptable forms of verification may include school budget sheets, receipts, collateral contacts, or other forms of reasonable verification such as prevailing public transportation rates to verify an exclusion for transportation costs.

Amounts excluded from educational assistance for dependent care cost shall not be deducted from income as an expense. Dependent care costs incurred which exceed the amount earmarked and excluded from educational assistance shall be used as a deduction from income.

B-4222.7 EXCLUDED BY OTHER FEDERAL STATUTE

The following government payments are received for a specific purpose are excluded as income by federal law.

Part A - GENERAL

1. P.L. No. 89-642, Section 11(b) of the Child Nutrition Act of 1966 excludes the value of assistance to children under this Act.
2. Reimbursement from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (P.L. No. 91-646, Section 216).
3. Any payment to volunteers under Title II (RSVP, Foster Grandparents and others) of the Domestic Volunteer Services Act of 1972 (P.L. No. 93-113) as amended.

Payments under Title I (VISTA - including University Year for Action and Urban Crime Prevention Program) to volunteers shall be excluded for those individuals receiving food stamps or public assistance at the time they joined the Title I Program, except that households which are 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 shall continue to receive an income exclusion for VISTA for the length of their volunteer contract in effect at the time of conversion. Temporary interruptions in food stamp participation shall not alter the exclusion once an initial determination has been made. New applicants who are not receiving public assistance or food stamps at the time they joined VISTA shall have these volunteer payments included as earned income. (See B-4221.11)

4. P.L. No. 93-288, Section 312(d), the Disaster Relief Act of 1974, as amended by P.L. No. 100-707, Section 105(i), the Disaster Relief and Emergency Assistance Amendments of 1988, 11/23/88. Payments precipitated by an emergency or major disaster as defined in this Act, as amended, are not counted as income for food stamp purposes. This exclusion applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations.

A major disaster is any natural catastrophe such as a hurricane or drought, or, regardless of cause, any fire, flood, or explosion, which the President determines causes damage of sufficient severity and magnitude to warrant major disaster assistance to supplement the efforts and available resources of states, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

An emergency is any occasion or instance for which the President determines that Federal assistance is needed to supplant state and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe.

Payments made to homeless people with funds from Federal Emergency Management Assistance (FEMA) to pay for rent, mortgage, food, and utility assistance when there is no major disaster or emergency are not excluded under this provision.

5. Payments, allowances and earnings under the Workforce Investment Act (WIA) are excluded as income. Earnings paid for on-the-job training are still counted for the Food Stamp Program. On-the-job training payments for members under 19 years of age who are participating in WIA programs and under the parental control of an adult member of the household are excluded as income. The exclusion shall apply regardless of school attendance and/or enrollment as outlined in Section B-4222.2, "Earnings of Children". On-the-job training payments under the Summer Youth Employment and Training Program are excluded from income.
6. P.L. No. 99-425, Section (e), the Low-Income Home Energy Assistance Act, 1986. Payments or allowances made under any federal laws for the purpose of energy assistance.

P.L. No. 104-193 states that any payment or allowances made for the purpose of providing energy assistance under a federal law other than Part A of Title IV of the Social Security Act (42 U.S.C. 601, et seq.), or a one-time payment, or allowance made under federal or state law for the cost of weatherization, or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device is excluded from income.

7. Payments received from the Youth Incentive Entitlement Pilot Projects, the Youth Community Conservation and Improvement Projects, and under the Title IV of the Comprehensive Employment and Training Act Amendments of 1978 (P.L. No. 95-524).
8. P.L. No. 100-175, Section 166, Older Americans Act, 11/29/87. Funds received by persons 55 and older under the Senior Community Service Employment Program under Title V of the Older Americans Act are excluded from income.

State agencies and eight organizations receive funding under Title V. The eight organizations are: Green Thumb, National Council on Aging, National Council of Senior Citizens, American Association of Retired Persons, U.S. Forest Service, National Urban League, National Council on Black Aging.

9. Payments in cash donations, based upon need, from one or more private, nonprofit charitable organizations, but not exceeding \$300 in the aggregate per fiscal quarter (P.L. No. 100-232).
10. The portion of a military retirement payment which goes to an ex-spouse under a divorce decree

property settlement is not counted as income to the retiree. (P.L. No. 97-252, Uniform Service Former Spouse Protection Act.) These payments are excluded as vendor payments.

11. Military combat payments received by a member of the United States Armed Forces deployed to a designated combat zone shall be excluded from the household income for the duration of the member's deployment as long as the additional payment was not received immediately prior to serving in a combat zone. *[Eff. 12/01/2008]*
12. Mandatory deductions from military pay for education purposes while the individual is enlisted. *[Eff. 12/01/2008]*

(P.L. No. 99-576, Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, Section 303(a)(1), 8/7/86.) Section 216 of P.L. No. 99-576 authorizes stipends for participation in study of Vietnam-Era veterans' psychological problems which are not excluded from income. *[Eff. 12/01/2008]*
13. Payments to U.S. citizens of Japanese ancestry and resident Japanese aliens of up to \$20,000 each and payments to certain eligible Aleuts of up to \$12,000 each. (P.L. No. 100-383, Civil Liberties Act of 1988.) *[Eff. 12/01/2008]*
14. Emergency assistance payments made by a state or local agency for migrants or seasonal farm-workers in the jobstream. (P.L. No. 100-387.) *[Eff. 12/01/2008]*
15. Benefits received from the special supplemental food program for women, infants and children (WIC), including coupons which can be exchanged for food at farmers' markets or part of a WIC demonstration project, (P.L. No. 92-443). This payment is excluded as an in-kind benefit. (P.L. No. 100-435, Section 501, 9/19/88, amended Child Nutrition Act) *[Eff. 12/01/2008]*
16. P.L. No. 100-485, Section 301, the Family Support Act, 10/31/88 which amended Section 402 (g)(1) (E) of the Social Security Act. The value of any child care payments made under Title IV-A of the Social Security Act, including transitional child care payments, are excluded from income. *[Eff. 12/01/2008]*
17. Payments made from the Agent Orange Settlement Fund (P.L. No. 101-201). All payments from the Agent Orange Settlement fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation are excluded from income retroactive to January 1, 1989. The disabled veteran will receive yearly payments. Survivors of deceased disabled veterans will receive a lump-sum payment. These payments were disbursed by the AETNA insurance company. *[Eff. 12/01/2008]*

P.L. No. 101-239, 12/19/89, the Omnibus Budget Reconciliation Act of 1989, Section 10405, also excludes payments made from the Agent Orange settlement fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.) from income in determining eligibility or the amount of benefits under the Food Stamp Program. *[Eff. 12/01/2008]*

Note: P.L. No. 102-4, Agent Orange Act of 1991, 2/6/91, authorized veterans' benefits to some veterans with service connected disabilities resulting from exposure to Agent Orange. These VA payments are not excluded by law. *[Eff. 12/01/2008]*
18. P.L. No. 101-508, Section 5801, which amended Section 402(i) of the Social Security Act, 11/5/90. At-risk block grant child care payments made under section 5801 are excluded from being counted as income for food stamp purposes and no deduction may be allowed for any expense covered by such payments. *[Eff. 12/01/2008]*

19. P.L. No. 101-508, 11/5/90, the Omnibus Budget Reconciliation Act of 1990, Title XI Revenue Provisions, Section 11111, Modifications of Earned Income Tax Credit, subsection (b) provides that any earned income tax credit shall not be treated as income. This provision is effective with taxable years beginning after December 31, 1990. *[Eff. 12/01/2008]*
20. Any payment made to an Employment First participant for costs that are reasonably necessary and directly related to participation in the Employment First program. These costs include, but are not limited to, dependent care costs, transportation, other expenses related to work, training or education, such as uniforms, personal safety items or other necessary equipment, and books or training manuals. These costs shall not include the cost of meals away from home. Also, the value of any dependent care services provided for or arranged by the Employment First Unit is excluded. *[Eff. 12/01/2008]*
21. Amounts necessary for the fulfillment of a Plan for Achieving Self-Support (PASS) under Title XVI of the Social Security Act (P.L. No. 102-237). This money may be spent in accordance with an approved PASS or deposited into a PASS savings account for future use. *[Eff. 12/01/2008]*
22. Any money received from the Radiation Exposure Compensation Trust Fund pursuant to P.L. No. 101-426 as amended by P.L. No. 101-510. *[Eff. 12/01/2008]*
23. P.L. No. 102-586, signed 11/4/92, Section 8, amended the Child Care and Development Block Grant Act Amendments of 1992 by adding a new Section 658S to exclude the value of any child care provided or arranged, or any amount received as payment for such care or reimbursement for costs incurred for such care from income for purposes of any other federal or federally assisted program that bases eligibility, or the amount of benefits, on need. *[Eff. 12/01/2008]*
24. P.L. No. 101-610, Section 17(d), 11/16/90, National and Community Service Act (NCSA) of 1990, provides that Section 142(b) of the JTPA applies to projects conducted under Title I of the NCSA as if such projects were conducted under the JTPA. Title I includes three Acts: *[Eff. 12/01/2008]*
 - Serve-America: the Community Service, Schools and Service-Learning Act of 1990 *[Eff. 12/01/2008]*
 - American Conservation and Youth Service Corps Act of 1990 *[Eff. 12/01/2008]*
 - National and Community Service Act *[Eff. 12/01/2008]*

There are about 47 different NCSA programs and they vary by state. Most of the payments are made as a weekly stipend or for educational assistance. The Higher Education Service-Learning program and the AmeriCorps umbrella program come under this title. The National Civilian Community Corps (NCCC) is a federally managed AmeriCorps program. The Summer for Safety program is an AmeriCorps program under which participants earn a stipend and a \$1,000 post-service educational award. The National and Community Service Trust Act of 1993 (P.L. No. 103-82, 9/23/93) amended the National and Community Services Act of 1990, but did not change the exclusion. *[Eff. 12/01/2008]*

25. P.L. No. 101-625, Section 22(i), Cranston-Gonzales National Affordable Housing Act, 11/28/90, 42 U.S.C.S. 1437t(i), provides that no service provided to a public housing resident under this section (Family Investment Centers) may be treated as income for purposes of any other program or provision of state or federal law. *[Eff. 12/01/2008]*

This exclusion applies to services such as child care employment training and counseling, literacy training, computer skills training, assistance in the attainment of certificates of high school equivalency, and other services. The exclusion does not apply to wages or stipends. *[Eff. 12/01/2008]*

P.L. No. 101-625, Section 522(i)(4), excludes most increases in the earned income of a family residing in certain housing while participating in HUD demonstration projects authorized by P.L. No. 101-625. Demonstration projects are authorized by P.L. No. 101-625 for Chicago, Illinois, and three other locations. The affected offices will be contacted individually regarding these projects. *[Eff. 12/01/2008]*

26. P.L. No. 103-286, Section 1(a), 8/1/94, Section 1(a), provides in part that payments made to individuals because of their status as victims of Nazi persecution shall be disregarded in determining eligibility for and the amount of benefits or services to be provided under any federal or federally assisted program which provides benefits or services based, in whole or in part, on need. *[Eff. 12/01/2008]*

27. P.L. No. 103-322, Section 230202, 9/13/94, Amendments to Section 1403 of the Crime Act of 1984 (42 U.S.C. 10602) provides in part that, notwithstanding any other law, if the compensation paid by an eligible crime victim compensation program would cover costs that a federal program or a federally financed state or local program would otherwise pay: *[Eff. 12/01/2008]*

a. Such crime victim compensation program shall not pay that compensation. *[Eff. 12/01/2008]*

b. The other program shall make its payments without regard to the existence of the crime victim compensation program. *[Eff. 12/01/2008]*

Based on this language, payments received under this program must be excluded from income for food stamp purposes. *[Eff. 12/01/2008]*

28. P.L. No. 104-204, 9/25/96, requires that allowances paid under this law to children of Vietnam veterans who were born with spina bifida be excluded from income. *[Eff. 12/01/2008]*

Part B -- AMERICAN INDIAN OR ALASKA NATIVE

Note: Usually a law will specify payments to members of a tribe or band, and the law will apply to the members enrolled in the tribe or band wherever they live. The individuals should have documentation showing where the payments originate.

1. P.L. No. 92-203, section 29, dated 1/2/76, the Alaska Native Claims Settlement Act, and Section 15 of P.L. No. 100-241, 2/3/88, the Alaska Native Claims Settlement Act Amendments of 1987 - All compensation, including cash, stock, partnership interest, land, interest in land, and other benefits, received under this Act are excluded.

2. P.L. No. 93-134, the Judgment Award Authorization Act, as amended by P.L. No. 97-458, Section 1407, 11/12/83 and P.L. No. 98-64, 8/2/83, the Per Capita Distribution Act. P.L. No. 97-458 required the exclusion of per capita Payments under the Indian Judgment Fund Act (judgment awards) of \$2,000 or less from income. The exclusion applies to each payment made to each individual. P.L. No. 98-64 extended the exclusion to cover per capita payments from funds which are held in trust by the Secretary of Interior (trust fund distributions).

P.L. No. 93-134, the Indian Tribal Judgment Fund Use or Distribution Act, Section 8, 10/19/73, as amended by P.L. No. 103-66, Section 13736, 10/7/93, provides that interest of individual Indians in trust or restricted lands up to \$2,000 per year received by individual Indians that is derived from such interests shall not be considered income in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program. The \$2,000 limit is based on calendar years from January through December.

3. P.L. No. 93-531, section 22 - Relocation assistance payments to members of the Navajo and Hopi Tribes are excluded from income and resources.

4. P.L. No. 94-114, section 6, 10/17/75 - Income derived from certain sub-marginal land held in trust for certain Indian tribes is excluded from income. The tribes that may benefit are:

Bad River Band of the Lake Superior Tribe of Chippewa Indians of Wisconsin
Blackfeet Tribe
Cherokee Nation of Oklahoma
Cheyenne River Sioux Tribe
Crow Creek Sioux Tribe
Lower Brule Sioux Tribe
Devils Lake Sioux Tribe
Fort Belknap Indian Community
Assiniboine and Sioux Tribes
Lac Courte Oreilles Band of Lake Superior Chippewa Indians
Keweenaw Bay Indian Community
Minnesota Chippewa Tribe
Navajo Tribe
Oglala Sioux Tribe
Rosebud Sioux Tribe
Shoshone-Bannock Tribes
Standing Rock Sioux Tribe

5. P.L. No. 94-189, Section 6, 12/31/75 - Funds distributed per capita to the Sac and Fox Indians or held in trust are excluded from income. The funds are divided between members of the Sac and Fox Tribe of Oklahoma and the Sac and Fox Tribe of the Mississippi in Iowa. The judgments were awarded in Indian Claims Commission dockets numbered 219, 153, 135, 158, 231, 83, and 95.
6. P.L. No. 94-540 - Payments from the disposition of funds to the Grand River Band of Ottawa Indians are excluded from income.
7. P.L. No. 95-433, section 2 - Indian Claims Commission payments made pursuant to this Public Law to the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation are excluded from income.
8. P.L. No. 96-420, section 9(c), 10/10/80, Maine Indian Claims Settlement Act of 1980 - Payments made to the Passamaquoddy Tribe, the Penobscot Nation, and the Houlton Band of Maliseet are excluded from income.
9. P.L. No. 97-403 - Payments to the Turtle Mountain Band of Chippewas, Arizona are excluded from income.
10. P.L. No. 97-408 - Payments to the Blackfeet, Grosventre, and Assiniboine tribes, Montana, and the Papago, Arizona, are excluded from income.
11. P.L. No. 98-123, Section 3, 10/13/83 - Funds distributed to members of the Red Lake Band of Chippewa Indians are excluded from income. Funds were awarded in docket number 15-72 of the United States Court of Claims.
12. P.L. No. 98-124, Section 5 - Per capita and interest payments made to members of the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana, under this Act are excluded from income. Funds were awarded in docket 10-81L.
13. P.L. No. 98-500, Section 8, 10/17/84, Old Age Assistance Claims Settlement Act, provides that funds made to heirs of deceased Indians under this Act shall not be considered as income nor otherwise used to reduce or deny food stamp benefits except for per capita shares in excess of \$2,000. The first \$2,000 of each payment is excluded.
14. P.L. No. 99-146, Section 6(b), 11/11/85 - Funds distributed per capita or held in trust for members of the Chippewas of Lake Superior are excluded from income. Judgments were awarded in Dockets Numbered 18-S, 18-U, 18-C, and 18-T.

Dockets 18-S and 18-U are divided among the following reservations:

Wisconsin

Bad River Reservation
Lac du Flambeau Reservation
Lac Courte Oreilles

ReservationSokaogon Chippewa CommunityRed Cliff ReservationSt. Croix Reservation

Michigan

Keweenaw Bay Indian Community (L'Anse, Lac Vieux Desert, and Ontonagon Bands)

Minnesota

Fond du Lac ReservationGrand Portage ReservationNett Lake Reservation (including Vermillion Lake and Deer Creek)White Earth Reservation

Under dockets 18-C and 18-T funds are given to the Lac Courte Oreilles Band of the Lake Superior Bands of Chippewa Indians of the Lac Courte Oreilles Reservation of Wisconsin, the Bad River Band of the Lake Superior Tribe of Chippewa Indians of the Bad River Reservation, the Sokaogon Chippewa Community of the Mole Lake Band of Chippewa Indians, and the St. Croix Chippewa Indians of Wisconsin.

15. P.L. No. 99-264, White Earth Reservation Land Settlement Act of 1985, 3/24/86, Section 16 excludes moneys paid from income. This exclusion involves members of the White Earth Band of Chippewa Indians in Minnesota.
16. P.L. No. 99-346, Section 6(b)(2) - Payments to the Saginaw Chippewa Indian Tribe of Michigan are excluded from income.
17. P.L. No. 99-377, Section 4(b), 8/8/86, - Funds distributed per capita to the Chippewas of the Mississippi or held in trust under this Act are excluded from income. The judgments were awarded in Docket Number 18-S. The funds are divided by reservation affiliation for the Mille Lac Reservation, Minnesota; White Earth Reservation, Minnesota; and Leech Lake Reservation, Minnesota.
18. P.L. No. 101-41, 6/21/89, the Puyallup Tribe of Indians Settlement Act of 1989, Section 10 (b) provides that nothing in this Act shall affect the eligibility of the Tribe or any of its members for any Federal program. Section 10(c) provides that none of the funds, assets, or income from the trust fund established in section 6(b) shall at any time be used as a basis for denying or reducing funds to the Tribe or its members under any Federal, State, or local program. (The Puyallup Tribe is located in the State of Washington.)
19. P.L. No. 101-277, 4/30/90, funds appropriated in satisfaction of judgments awarded to the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission are excluded from income except for per capita payments in excess of \$2,000. Payments were allocated to the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, the Miccosukee Tribe of Indians of Florida, and the independent Seminole Indians of Florida.
20. P.L. No. 101-503, Section 8(b), Seneca Nation Settlement Act of 1990, dated November 3, 1990, provides that none of the payments, funds or distributions authorized, established, or directed by this Act, and none of the income derived therefrom shall affect the eligibility of the Seneca Nation or its members for, or be used as a basis for denying or reducing funds under, any federal program.
21. P.L. No. 103-436, 11/2/94, Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act, Section 7(b) provides that payments made pursuant to the Act are totally excluded from income.

B-4222.8 NONRECURRING LUMP SUM PAYMENTS [Rev. eff. 6/10/11]

Money received in the form of non-recurring lump sum payments, including, but not limited to, income tax refunds, rebates, or credits; retroactive lump-sum social security, SSI, public assistance, railroad retirement benefits or other payments; or retroactive lump-sum insurance settlements. State and county diversion payments under Colorado Works shall be excluded as a non-recurring lump sum payment if the payment does not cover more than 120 days of expenses and is not expected to occur again in a 12-month period. These payments shall be counted as resources in the month received, unless specifically excluded from consideration as a resource by other federal laws.

Beginning December 17, 2010, Federal income tax refunds received during the period January 1, 2010 through December 31, 2012, must be disregarded as a resource for twelve (12) months from the date of receipt by the client. These refunds are also excluded as income in the month received.

B-4222.9 VERIFICATION

Documentation of exempt income may explain a household's ability to maintain itself. Verification of exempt income is necessary only if the income is questionable. For example, when it is questionable that money received is a loan, a simple statement signed by both parties must be obtained which states that the money is a loan and that a repayment is being made or will be made.

If the household receives payments on a regular basis from the same source but claims that payments are loans, it may be required that the provider of the loan sign an affidavit stating that repayments are being made or will be made in accordance with an established repayment schedule.

B-4223 DEDUCTIONS FROM INCOME [Rev. eff. 6/10/11]

Allowable deductions are subtracted from total monthly gross income to determine the household's monthly net food assistance income. The monthly income shall be rounded down to the lower dollar if it ends in 1 to 49 cents and rounded to the next dollar amount if it ends in 50 to 99 cents before deductions are considered. Allowable expenses will not be deductible if covered by vendor payments such as HUD, or reimbursements (such as insurance). An expense which is covered by an excluded vendor payment that has been converted to a direct cash payment under a federally authorized demonstration project shall not be deductible.

Households may elect to have fluctuating monthly expenses averaged over the certification period. Also, households have the option of having expenses which are billed less often than monthly averaged over the period the expense is intended to cover.

Households may elect to have medical expenses averaged as described in the section "Determining Medical Expenses". Expenses that have been averaged are subject to the reporting requirements contained in the section "Changes Households are Required to Report". [Eff. 12/01/2008]

Actual or averaged expenses that result in deductions for medical, dependent care and shelter costs shall be anticipated. (Households who expect changes cannot have their expenses averaged solely on the basis of the last several bills.) [Eff. 12/01/2008]

Expenses that are billed on a weekly or biweekly basis shall be converted to a monthly figure utilizing the FS-16 conversion chart. [Eff. 12/01/2008]

The following subsections contain the only deductions allowed from a household's monthly income. [Eff. 12/01/2008]

B-4223.1 STANDARD AMOUNT [Eff. 12/01/2008]

A standard deduction of 8.31% of the Federal poverty income guidelines for the household size will be used to calculate the amount allowed to all households. The established standard amount will be adjusted

annually as announced by the Food and Nutrition Service, USDA. The calculation of 8.31% of the Federal poverty income guidelines for eligible members will be used for all households up to the household size of six. All households with 6 or more eligible members will use the six person standard deduction. [Eff. 12/01/2008]

STANDARD DEDUCTION

| | | | |
|----------------|-------|-------|-------|
| Household Size | 1-3 | 4 | 5 |
| Deduction | \$144 | \$147 | \$172 |

B-4223.2 EARNED INCOME

A household with earned income shall receive a deduction of twenty percent (20%) of its gross nonexempt earned income which has been rounded down to the lower dollar if it ends in the 1 to 49 cents and rounded up to the next dollar amount if it ends in 50 to 99 cents. The 20 percent deduction shall also apply to prorated income earned by the disqualified member and attributed to the household.

The earned income deduction will not be applied to any portion of income earned under a work supplementation or work support program that is attributable to a federal, state, or local public assistance program.

B-4223.3 EXCESS MEDICAL

A household shall receive a deduction for total medical expenses in excess of \$35 per month, incurred by any household member(s) who is elderly or disabled as defined in Section B-4214.1, Subsection C. Other household members including spouses and dependents, cannot claim costs of their medical treatment and services

A. The following medical costs are allowable if they are not reimbursed from another source:

1. Medical and dental care including psychotherapy and rehabilitation services provided by a licensed practitioner or other qualified health professional.
2. Hospitalization or outpatient treatment, nursing care, and nursing home care including payments by the household for an individual who was a household member immediately prior to entering a hospital or nursing home provided by a facility recognized by the state.
3. Prescription drugs when prescribed by a licensed practitioner authorized under state law and other over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional. In addition, costs of medical supplies, sickroom equipment (including rental) or other prescribed equipment.
4. Health and hospitalization insurance policy premiums. Medicare premiums, and any cost-sharing expenses incurred by medical recipients.
5. Dentures: hearing aids: prosthetics: eye glasses prescribed by a physician skilled in eye disease or by an optometrist.
6. Securing and maintaining a service animal, such as a seeing eye or hearing dog, including cost of food and veterinarian fees.
7. Reasonable transportation and lodging to obtain medical treatment or services.
8. Wages to an attendant, homemaker, home health aide, child care services, or a housekeeper

necessary due to age, infirmity, or illness. In addition, an amount equal to the maximum coupon allotment for one person is allowed if the household furnishes the majority of the attendant's meals. The allotment shall be the one in effect at the time of certification with an appropriate adjustment at the next certification.

Note: If attendant care costs qualify under both medical and dependent care deduction, the costs shall be allowed as a medical expense.

B. Non-allowable medical costs include:

1. Special diet expenses
2. Premiums for health and accident policies such as those payable in lump sum settlements for death or dismemberment or policies for income maintenance such as those that continue mortgage or loan payments while the beneficiary is disabled.
3. Medical expenses which are reimbursable by insurance or other public or private sources.

B-4223.31 Determining Monthly Medical Expenses

In cases when the household claims a deduction for billed medical expenses which the household can verify will neither be paid directly nor reimbursed by an insurance company government program or private individual, a deduction for the total amount over \$35 will be allowed.

In cases when the household claims a deduction for billed medical expenses and the household is unable to verify whether or not any reimbursement will be received no medical expense deduction shall be allowed until the household either receives reimbursement for all or part of the expense or is able to verify that reimbursement will not be provided. When such reimbursement is received and verified, the non-reimbursed portion of the claimed medical expense is allowed.

Medical expenses carried forward from past billing periods shall not be allowed unless the amount is being carried forward pending reimbursement information, or unless the household has made arrangements to make monthly installments on the past due bills. (The past due amount must be due to missed payments under a previous repayment agreement with the medical provider, and the payment plan is now being renegotiated with the provider. The negotiation of a payment plan with a collection agency will not be accepted as a renegotiated payment plan. The medical expense to be allowed cannot contain any amount that was previously allowed as a medical deduction.) However, households which became categorically eligible for food stamps by reason of becoming a pure SSI household, shall be entitled to excess medical expenses for the period for which they are authorized to receive SSI or from the date of the food stamp application, whichever is later Restored benefits shall be issued if appropriate.

Expenses incurred weekly or biweekly shall be converted to a monthly amount using exact dollars and cents and Form FS-16. The excess over \$35 per month is allowed as a monthly deduction.

On application, the household may elect to have one-time-only costs deducted in one month as a lump sum or averaged over the certification period to obtain a monthly amount. If the household elects to average the expenses over the certification period, the \$35 deduction shall be taken for each month of the certification period.

When a one-time-only medical expense is reported during a certification period, the amount may be deducted in a lump sum or averaged over the remainder of the certification period Averaging would begin the month the change would be effective. If the household elects to average the expenses over the remainder of the certification period, the \$35 deduction shall be taken for each month of the certification period.

B-4223.32 Verification of Monthly Medical Expenses

The amount of medical bills and the portion that is reimbursable shall be verified prior to initial certification.

The household's monthly medical deduction for the certification period shall be based on the information reported and verified by the household, and any anticipated changes in the household's medical expenses that can be reasonably expected to occur during the certification period based on available information about the recipient's medical condition public or private insurance coverage, and current verified medical expenses if the change cannot be reasonably anticipated, the household shall have the non-reimbursable portion of the medical expense considered at the time the amount of the expense or reimbursement is reported and verified.

At recertification, total medical expenses shall be verified if the source has changed or the total amount has changed more than \$25 since the last time they were verified, or the information is incomplete, inaccurate, inconsistent, or outdated.

Any time questionable information is received, such as the identity of the person incurring medical costs, verification shall be obtained.

If the household reports a change in its medical expenses, the food stamp office shall verify the change and act on the change. If a change in medical expenses is discovered from another source other than the household, the food stamp office cannot act on the change unless it is considered verified on receipt. The household shall not be contacted to verify a change discovered through another source. If a household fails to verify changes in medical expenses, the worker will not make the change.

Households certified for twenty four (24) months that incurred a one time medical expense during the first twelve (12) months shall have the option of deducting the expense for one month averaging the expense over the remainder of the first twelve months of the certification period, or averaging the expense over the remainder of the certification period. One time expenses reported after the 12 month of the certification period will be deducted in one month or averaged over the remaining months in the certification period, at the household's option.

B-4223.4 DEPENDENT CARE [Eff. 12/01/2008]

Dependent care expenses as billed to a household member or as paid by or billed to a person disqualified for being an ineligible non-citizen or failure to provide or apply for a SSN for the care of a child or disabled dependent when it is necessary for a household member to accept or continue employment seek employment, or attend training or pursue education which is preparatory to employment, shall be considered. Dependent care expenses which are paid by or billed to the disqualified person shall be divided equally among all household members and the disqualified person All except the disqualified member's share is considered for a deduction.

The dependent care deduction that is paid by or billed to individuals disqualified for intentional program violation/fraud will be allowed in its entirety.

Only direct monetary payments to an agency or a person outside of the household will be allowable. The value of in-kind benefits paid to an attendant, such as meals, is not considered for a dependent care deduction.

A child care expense which is reimbursed or paid for by the JOBS program under Title IV-F of the Social Security Act or the Transitional Child Care (TCC) program shall not be a deductible expense.

The total dollar amount that the household is responsible to pay for dependent care expenses is deductible.

Refer to the section "Excess Medical" if the attendant care is for a household member who is age sixty (60) or older or who receives SSI or Social Security disability payments, the attendant costs, including meals provided, shall be considered as a medical expense.

B-4223.41 Verification of Dependent Care Expenses

Verification of dependent and child care expenses is required if the expense would result in a deduction. (Refer to the section "Excess Medical" if the dependent care costs qualify as a medical deduction.)

B-4223.5 EXCESS SHELTER [Eff. 12/01/2008]

- A. Households shall receive a deduction for the allowable monthly shelter costs that are in excess of 50% of the household's income after all other deductions. Shelter expenses are allowed as billed to a household member or as paid or billed to a disqualified individual. Shelter costs which are paid by or billed to a person disqualified for fraud shall be allowed as a deduction for eligible members in their entirety. Shelter costs, paid or billed to a person disqualified for being an ineligible alien or for failure to provide a Social Security number shall be divided evenly among all household members and the disqualified individual. All except the disqualified person's pro rata share is counted as a shelter cost of the household.
- B. The shelter deduction cap shall not exceed \$446 per month. The shelter limit applies to households that do not contain an elderly and/or a disabled member. Elderly or disabled members are defined in Section B 4214.1, Subsection C. Those households containing an elderly or disabled individual shall receive an excess shelter deduction for the monthly cost of shelter that exceeds 50% of the household's monthly income after all other applicable deductions.
- C. Homeless households shall be entitled to use a standard estimate of shelter expenses for households in which all members are homeless and are not receiving free shelter throughout the calendar month. The USDA Food and Nutrition Service provides a current estimate of \$143 and will update this figure annually when the shelter cap for other households is adjusted.

All homeless households which incur or reasonably expect to incur shelter costs during a month shall be eligible for the estimate unless higher shelter costs are verified, at which point the household may use actual shelter costs rather than the estimate. If a homeless household has difficulty in obtaining traditional types of verification of shelter costs, the worker shall use prudent judgment in determining if verification obtained is adequate. Homeless households which incur no shelter costs during the month shall not be eligible for the standard estimate.

- D. The household may claim both the costs of its actual residence and those for a home that is not occupied by the household because of (1) employment or training away from home, (2) illness, or (3) abandonment caused by a natural disaster or casualty loss. For costs of a home vacated by the household to be included in the household's shelter costs, the household must intend to return to the home; the current occupants of the home, if any, must not be claiming the shelter costs for food stamp purposes; and the home must not be leased or rented during the absence of the household.
- E. Allowable shelter costs shall include only the following:
 - 1. Continuing charges for the shelter, including rent, mortgages, condo, and association fees or other continuing charges leading to the ownership of the shelter such as loan repayments for the purchase of a mobile home, including interest on such payments.
 - 2. Property taxes, State and local assessments, and insurance on the structure itself, but not separate costs for insuring furniture or personal belongings.

3. Charges to repair or rebuild a home substantially damaged or destroyed due to a natural disaster such as a fire or flood. Allowable expenses are those that have not been and will not be reimbursed by private or public relief agencies, insurance companies or any other source.
4. Utility costs which include charges for heating and cooking fuel; cooling costs or fuel used for purposes other than heating and cooling; water and sewer; well installation and maintenance; septic tank installation and maintenance; garbage and trash collection fees; and, fees charged by the utility provider for initial installation of the utility.
5. A telephone allowance for one telephone. One time deposits shall not be included as shelter costs.

B 4223.51 Four Tiered Mandatory Standard Utility Allowance [Eff. 12/01/2008]

Effective October 1, 2008, a four tiered mandatory standard utility allowance deduction will be implemented in determining a household's excess shelter deduction.

- A. Households cannot claim actual utility expenses and are only entitled to one of the four utility allowances.
- B. No utility expenses can be allowed as an income exclusion for self-employed households when a mandatory utility allowance is given to the household.
- C. The four tiers are as follows:

1. Heating and Cooling Utility Allowance (HCUA)

"Cooling costs" are defined as utility expenses relating to the operation of air conditioning systems, room air conditioners, swamp coolers or evaporative coolers. Fans are not an allowable cooling cost.

A heating and cooling utility allowance (HCUA) is available only to households who:

- a. Incur or anticipate a heating or cooling expense separate and apart from their rent or mortgage.
- b. Received a Low-Income Energy Assistance Program (LEAP) payment at their current residence.
- c. Live in private rental housing and are billed by their landlords on the basis of individual usage or are charged a flat rate separately from their rent for heating and cooling.
- d. Share a residence and who incur at least a portion of the heating or cooling cost; each household will be entitled to the full HCUA.
- e. Live in public housing and are responsible for excess heating and/or cooling costs.

A food assistance household, which incurs or anticipates a heating or cooling expense on an irregular basis, may continue to receive the HCUA between billing periods. For example, a food assistance household who heats with electricity three months a year is allowed the HCUA year-round. A food assistance household who buys fuel oil once a year for heating is allowed the HCUA year-round.

Operation of a space heater, electric blanket, heat lamp, cooking stove and the like when used as a supplemental heating source are allowable costs, but do not qualify a household for the HCUA.

2. Basic Utility Allowance (BUA)

The Basic Utility Allowance (BUA) is mandated for any households that are not entitled to the HCUA (do not incur a heating or cooling expense) and that incur at least two non-heating or non-cooling utility costs, such as electricity, water, sewer, trash, cooking fuel, or telephone.

If more than one assistance group shares in paying non-heating or non-cooling utility costs of the dwelling, the full BUA will be allowed for each assistance group sharing in the utility costs.

3. One Utility Allowance (OUA)

Households must be responsible for only one non-heating or one non-cooling utility expense. The OUA is not allowed if the household's only utility expense is a telephone.

If more than one assistance group shares in paying one non-heating or one non-cooling utility costs of the dwelling, the full OUA will be allowed for each assistance group sharing in the utility costs.

4. Telephone Allowance

The telephone allowance is available to households whose only utility expense is for a telephone.

If more than one assistance group shares in paying the telephone expense and that is the only utility expense of the dwelling, the full phone standard will be allowed for each assistance group sharing in the telephone expense.

The HCUA, BUA, OUA, and telephone allowance shall be reviewed annually and adjusted each year, based on Federal approval, to reflect Colorado's increased cost of utilities.

B-4223.52 Verification of Utility Costs

Total utility costs that exceed the utility standard allowance or that do not include bills for heating or cooling, and utility costs for unoccupied homes shall be verified.

Household declaration of its responsibility for paying utilities is not verified unless it is questionable and allowance of the expense would actually result in a deduction.

Households that wish to claim shelter costs for a home that is unoccupied because of employment or training away from the home, illness, or abandonment caused by a natural disaster or casualty loss must provide verification of actual utility costs, if the costs would result in a deduction. These households are also responsible for providing verification of any other shelter costs if the cost is questionable and it would result in a deduction. The food stamp office is not required to assist households in obtaining verification of this expense if the verification needs to be obtained from a source outside the county.

If the expense cannot be verified within 30 days of the date of application, the food stamp office shall determine the household's eligibility and benefit level, using standard utility allowance, without providing a deduction for the unverified expense.

If the household subsequently provides the missing verification, the information will be handled as a reported change in accordance with B-4242.3. The household shall be entitled to restoration of any lost benefits as a result of the disallowance of the expense which could not be verified within the 30-day period, only if the client was not given at least 10 calendar days to provide verification (or less than 10 days if a necessary second interview could only be scheduled between the 20th and 30th day of the processing period.)

B-4223.6 DEDUCTION FOR LEGALLY OBLIGATED CHILD SUPPORT PAID TO NONHOUSEHOLD MEMBERS

- A. A household shall receive a deduction from income for legally binding child support payments made to non-household members. The child support deduction will be made from the household's total countable gross income. The deduction will be made prior to any gross income test to determine eligibility. The court-ordered amount and the most recent amounts that have been paid must be verified by the household.
- B. If the noncustodial parent makes child support payments to a third party non-household member (e.g., a landlord, utility company, or health insurance organization) in accordance with the support order, the payment shall be included in the child support deduction.
- C. A deduction for amounts paid toward arrearage will be allowed. Alimony payments will not be allowed as a deduction.
- D. Households with a history of three or more months of paying child support shall have the support payments averaged taking into account any anticipated changes in the legal obligation; then use that average as the household's support deduction. A household with a history of payments shall be certified for at least a six-month period.
- E. For households with no child support payment record or less than a three-month record, the food stamp office shall estimate the anticipated payments (excluding payments toward arrearage) and use that estimate as the household's support deduction. A certification period of three months will be assigned to establish a history of support payments.
- F. If the household does not report or verify its monthly child support payment or a change in its legal obligation, the food stamp office shall not allow a child support deduction.

The household is responsible to report any change in the legal obligation to pay child support, including termination of the obligation when a child reaches an age at which child support is no longer obligated.

- G. A household will also be required to report any change of \$25 in the amount that was allowed for the deduction at the most recent certification action.

B-4223.61 Verification

- A. The household shall verify its legal obligation to pay child support, the amount of the obligation, and the monthly amount of child support the household actually pays. The food stamp office shall accept any document that verifies the household's legal obligation to pay child support, such as a court or administrative order, or legally enforceable separation agreement.
- B. The food stamp office shall accept documentation verifying a household's actual payment of child support including, but not limited to, canceled checks, wage withholding statements, verification of withholding from unemployment compensation, and statements from the custodial parent regarding direct payments or third party payments that the noncustodial parent pays or expects to pay on behalf of the custodial parent. Documents that are accepted as verification of the

household's legal obligation to pay child support shall not be accepted as verification of the household's actual monthly child support payments.

- C. In addition to requiring verification from the household, the food stamp office shall be responsible for obtaining verification of the household's child support payments if the payments are made to the child support enforcement (CSE) agency. The food stamp office shall give the household an opportunity to resolve any discrepancy between household verification and the verification received from the CSE agency.
- D. At recertification, the food stamp office shall require the household to verify the amount of legally obligated child support which a household member pays to a non-household member.

B-4224 RESOURCE ELIGIBILITY STANDARDS [Rev. eff. 2/1/11]

- A. The food assistance office shall consider households eligible under either expanded or basic categorical eligibility to have satisfied the resource eligibility criteria of this section. For households eligible under basic categorical eligibility, the case shall be documented to show that all household members have been approved for and/or are receiving benefits from the program that confers basic categorical eligibility.
- B. Households not categorically eligible shall have their nonexempt resources, as anticipated to be available in the issuance month, used to determine household eligibility. The resources of non-household members shall not be counted as available to the household. However, the resources of a person who is excluded from household composition because of intentional program violation/fraud determination, failure to provide or acquire a Social Security Number or who is an ineligible non-citizen shall be counted, in their entirety, as household resources. The resources of a sponsor and spouse considered toward a non-citizen household shall be the sponsor's total resources less two thousand dollars (\$2,000). (See the section entitled "Consideration of Sponsor's Income and Resources Toward the Sponsored Alien" .)
- C. The maximum allowable value of resources shall apply to all households not categorically eligible and shall not exceed:
 - 1. Two thousand dollars (\$2,000) for households that do not include a person who is elderly or is a person with a disability.
 - 2. Effective October 1, 2002, three thousand dollars (\$3,000) for households with at least one member who is elderly or a person with a disability.

An elderly member is a member who is sixty (60) years of age or older. A disabled member is defined in Section B-4214.1, C.

B-4224.1 LIQUID RESOURCES

Liquid resources are assets such as cash on hand, money in checking or savings accounts, saving certificates stocks or bonds, lump sum payments as specified in the section titled "Nonrecurring Lump Sum Payments" .

B-4224.2 NON-LIQUID RESOURCES

A non-liquid resource is any tangible real property including, but not limited to, licensed and unlicensed automobiles and motorcycles, utility trailer, seasonal or recreational vehicles (such as any camper, motor home, boat, snowmobile, water skidoo, or airplane) and real property (such as buildings, land, and vacation homes).

The value of non-liquid resources, unless exempt under Section B-4225 "Exempt Resources" or specified under Section B-4224.4 "Determining Value of Resources", shall be the equity value. The equity value is the fair market value minus the verified amount owed.

B-4224.3 JOINTLY OWNED RESOURCES

Nonexempt liquid and non-liquid resources owned jointly by separate households shall be considered available in their entirety to each household, unless it can be demonstrated by the applicant household that it does not have access to such resources. If only a portion of the resource is accessible, that portion which is available to the household is considered as a resource. The resource shall be considered totally inaccessible to the household if the resource cannot practically be subdivided and the household's access to the value of the resource is dependent on the agreement of a joint owner who refuses to comply. For the purpose of this provision, ineligible non-citizens or disqualified individuals residing with the household shall be considered household members.

B-4224.4 DETERMINING VALUE OF RESOURCES

The value of nonexempt household resources at the time the application is filed must be determined from applicant statements, documents, and/or from collateral contacts when household assessment is uncertain or questionable.

A. Valuation of Liquid Resources

The value of liquid resources is the current redemption rate, less encumbrances.

B. Valuation of Non-Liquid Resources

Except for real property, non-exempt, non-liquid resources, as defined in Section B-4224.2 "Non-Liquid Resources", shall have a fair market value as determined from the best source available (such as blue book, local dealer or equivalent Internet web site) less verified encumbrances. If warranted, the eligibility worker should adjust the market value for poor or unusable condition of the property before assigning a resource value. The eligibility worker shall annotate the case file to show source and computation used to determine resource value.

The fair market value assigned to each nonexempt vehicle shall be the wholesale or trade-in amount shown in a current (updated within last 6 months) "blue", or NADA, book or equivalent Internet web site. The value used shall be that for a vehicle in average condition and shall not be increased for low mileage or optional factory equipment. Any household which claims that the blue book does not apply to its vehicle because it is in less than average condition, shall be given the opportunity to acquire verification of the true value from a reliable source.

If a vehicle is no longer listed in the "blue", or NADA, book or equivalent Internet web site, the household's estimate of its value shall be accepted unless the value is questionable and it appears the vehicle value could affect eligibility, in which case the household shall obtain an appraisal or other evidence of its value.

In the case of antiques, customized or classic vehicles, a household shall be asked to acquire verification of the value if the food stamp office is unable to make an accurate appraisal.

The value of real property, such as buildings, land, or vacation property, unless exempt as income-producing in accordance with Section B-4225.4 "Income Producing Property (Including Vehicles)", may be obtained by using the actual value reported by a county assessor or, if not reported, the current assessed valuation, accomplished in accordance with state law, and dividing the value by the appropriate percentage rate of assessment for real property to derive fair market value and subtracting the amount the household currently owes on the property.

B-4225 EXEMPT RESOURCES

A household member who receives SSI benefits under Title XVI of the Social Security Act, aid to the aged, blind, or disabled under Title I, X, XIV of the Social Security Act or who receives Title IVA benefits shall have all resources excluded from consideration.

In determining the resources for a household, the following shall also be excluded.

B-4225.11 Inaccessible Resources

- A. Resources having a cash value which is not accessible to the household include but are not limited to, irrevocable trust funds, property in probate, or property prohibited from sale by a creditor holding a lien, and real property which the household is making a good faith effort to sell at a reasonable price and which has not been sold. In such cases, the Food Stamp office shall establish that the property is for sale and that the household will accept a reasonable offer.
- B. Non-exempt, non-liquid resource (such as seasonal or recreational vehicles as defined in Section B-4224.2 "Non-Liquid Resources") that would have a net return of \$1,500 or less. if sold, shall considered an inaccessible resource. The equity value shall be used to determine this amount. The equity value is fair market value less verified encumbrances (amount owed).
- C. Any funds in a trust or transferred to a trust, and the income produced by that trust shall be considered inaccessible to the household if:
 - The trust arrangement will not likely cease during the certification period, and no household member has the power to revoke the trust arrangement or change the name of the beneficiary during the certification period.
 - The trustee administering the funds is either: 1) a court an institution corporation, or organization which is not under the direction or leadership of any household member, or 2) an individual appointed by the court who has court imposed limitation placed on his/her use of funds which meet requirements of this section.
 - The trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a household member.
 - The funds held in irrevocable trust are either; 1) established from household's own funds and are used solely to make investments on behalf of the trust or to pay educational or medical expenses of persons named by the household creating the trust; or 2) established from non-household funds by a non-household member.
 - Monies which are withdrawn from trust and dividends which are or could be received by the household shall be considered as income See Section B-4221.29, titled "Other Gain or Benefit"

B-4225.12 Resources with No Significant Return

Resources including vehicles that as a practical matter, the household is unlikely to be able to sell for any significant return because the household's interest is relatively slight or because the cost of selling the household's interest would be relatively great shall be considered inaccessible. A resource shall be so identified if its sale or other disposition is unlikely to produce any significant amount of funds for the support of the household. Verification of the value of a resource to be excluded shall not be required unless the food stamp worker determines that the information provided by the household is insufficient to permit a determination of the resource value or the worker believes that the information is questionable.

This provision regarding no significant return does not apply to negotiable financial instruments. A significant return or a significant amount of funds shall be any return/funds after estimated costs of sale or disposition and taking into account the ownership interest of the household. A significant return or a significant amount of funds is an amount that is estimated to be more than \$1,500.

B-4225.2 PRORATED INCOME

Monies that have been prorated and considered as income for eligibility purposes, as in the case of students or self-employed persons will be an exempt resource. Prorated student and self-employment income is exempt as a resource as long as a portion is still being counted as income.

B-4225.3 HOME AND PROPERTY

The home and surrounding property which is not separate from the home by intervening property owned by others will be an exempt resource. Public rights of way, such as roads which run through the surrounding property and separate it from the home, will not affect the exemption of the property. The home and surrounding property shall remain exempt when temporarily unoccupied for reasons of employment, training for future employment, illness or uninhabitability caused by casualty or natural disaster, if the household intends to return.

The property owned or being purchased by household that currently do not own a home and on which the household intends to build or is building a permanent home, shall be exempt.

B-4225.4 INCOME-PRODUCING PROPERTY (INCLUDING VEHICLES)

Any property which is producing an annual income consistent with its fair market value in the community, even if it is used only on a seasonal basis is an exempt resource. Such property includes farm land and rental homes, or work related equipment, such as the tools of a tradesman or the machinery of a farmer, and vehicles which are essential to the employment or self-employment of a household member such as semi-tractor/trailer, boat, motor home, utility trailer, or seasonal or recreation vehicles used for income-producing purposes. Such property also includes livestock.

Installment contracts for the sale of land or buildings if the contract or agreement is producing income consistent with its fair market value. The exclusion shall also apply to the value of the property sold under the installment contract, or held as security in exchange for a purchase price consistent with the fair market value of that property retained by seller.

Income-producing vehicles such as but not limited to, a taxi, tractor, fishing boat, a vehicle used for deliveries, motor home snowmobile, or camper is an exempt resource if it annually produces income consistent with its fair market value, even if only used on a seasonal basis. The exemption will apply when the vehicle is not in use because of temporary unemployment. This exemption also applies to ineligible aliens or disqualified persons whose resources are being considered available to the household.

Property essential to the self-employment of a household member engaged in farming (including land, machinery, equipment and supplies) shall be excluded for one year from the date the household member terminates his or her self-employment from farming.

B-4225.5 HOUSEHOLD GOODS, PERSONAL EFFECTS, BURIAL PLOT, LIFE INSURANCE, PENSION FUNDS, RETIREMENT ACCOUNTS, EDUCATIONAL ACCOUNTS, AND PRE-PURCHASED FUNERAL AGREEMENTS [Eff. 12/01/2008]

Household goods, personal effects, including one burial plot per household member, the cash value of life insurance policies, and livestock not excluded as income producing property are exempt resources.

All retirement accounts with Federal tax preferred retirement status are exempt resources. The following

retirement accounts are exempt:

- A. Pension or traditional defined benefit plan;
- B. 401(K) plan and simple 401(K);
- C. 501C (18);
- D. 403(B) plan;
- E. 457 plan;
- F. Federal employee thrift savings plan;
- G. Keogh plan;
- H. Individual Retirement Account (IRA);
- I. Roth IRA and simple IRA;
- J. Simplified employer plan;
- K. Profit sharing plan; and,
- L. Cash balance plans.

All tax preferred education accounts are exempt resources. The two types of tax preferred education savings accounts are: 1) Section 529 qualified tuition programs, which allow owners to prepay a student's education expenses or to contribute to an account to pay those expenses and 2) Coverdell education savings accounts and IRA type of account designed to pay a student's education expense.

One bona fide pre-purchased funeral agreement per household member which may include one burial plot per household member, shall be excluded provided that the agreement does not exceed \$1,500 in equity value; the equity value over \$1,500 is counted as a resource. If a burial plot is included in the agreement, the burial plot portion will be exempted prior to determining the equity value of the funeral agreement.

B-4225.6 VEHICLE EXEMPTIONS

B-4225.61 Automobiles and Motorcycles

All of a household's licensed and unlicensed automobiles and motorcycles, including ineligible aliens and/or disqualified persons whose resources are being considered available to the household, shall be totally exempt as a resource.

B-4225.62 A Vehicle Used as a Household's Home or as Transportation for Physically Disabled

The entire value of a vehicle shall be excluded if the vehicle is used as the household's home and therefore, excluded under Section B-4225.3, entitled "Home and Property" .

The entire value of a vehicle shall be excluded if the vehicle is necessary to transport a physically disabled household member regardless of the purpose of such transportation. A vehicle necessary to transport a physically disabled household member need not have special equipment or be used primarily by or for the transportation of the physically disabled household member. However, this exemption is limited to one non-exempt vehicle for each physically disabled person.

Real or personal property directly related to the maintenance or use of an exempt or non-exempt vehicle to produce income or to transport a physically disabled household member shall be excluded as a resource.

An individual can be temporarily or permanently disabled. Persons who receive Social Security Disability, Supplemental Security Income/Colorado Supplement, state Aid to the Needy Disabled, and provide verification as required in Section B-4214.1, C. 2, entitled "Exemptions from the Boarding House and Institution Prohibition", will be considered as physically disabled. A household member can also be determined as disabled by the worker at time of application. If the individual appears to be physically disabled, no further verification shall be required. If the individual does not appear to be disabled, but claims disability, a statement from a physician certifying the disability will be required. If the disability is temporary, the household will be advised to report when the disability period has ended.

This exemption also applies to ineligible aliens or disqualified persons whose resources are being considered available to the household.

B-4225.63 Vehicle Used to Transport Fuel or Water

The entire value of a vehicle necessary to carry the primary source of heating or water for home use shall be excluded. Households without heating fuel or water piped into their homes will receive the exclusion without having to meet further tests about any other uses of the vehicle.

B-4225.7 GOVERNMENT PAYMENTS [Rev. eff. 6/10/11]

The following government payments are received for a specific purpose or services and shall be excluded as resources for Food Stamp eligibility.

Part A- GENERAL

1. P.L. No. 89-642. Section 11b) of the Child Nutrition Act of 1966 excludes the value of assistance to children under this Act from resources for food stamp purposes
2. Payments received from the youth incentive entitlement pilot projects, the youth community conservation and improvement projects, and the youth employment and training programs under Youth Employment and Demonstration Act of 1977 (P.L. No. 95-93) and extended under Title IV of the Comprehensive Employment and Training Amendments of 1978 (P.L. No. 95-524). (NOTE: Does not include other payments under the Comprehensive Employment and Training Act (CETA) or payments under the Youth Adults Conservation Corps.)
3. Any governmental payments which are designated for the restoration of a home damaged in a disaster, if the household is subject to a legal sanction if the funds are not used as intended: for example, payments made by the Department of Housing and Urban Development through the individual and family grant program or disaster loans or grants made by the Small Business Administration, Section 312(d) of Disaster Relief Act of 1974.

The Disaster Relief Act of 1974. P.L. No 93-288 as amended by P.L. No. 100-707, Section 105(i). the Disaster Relief and Emergency Assistance Amendments of 1988, 11/23/88. Payments precipitated by an emergency or major disaster as defined in this Act, as amended, are not counted as income or resources for food stamp purposes. This exclusion applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations. (Reference exempt income Section B-4222.7 (excluded by other federal statute).)

4. Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (P.L. No. 91-646. section 216).

5. Benefits received from the special supplemental food program for women, infants and children (WIC) (P.L. No. 92-443). This payment is excluded as an in-kind benefit.
6. Payments or allowances made under any federal laws for the purpose of energy assistance, other than Part A of Title IV of the Social Security Act (42 U.S.C. 601, et seq.), or a one-time payment or allowance made under federal or state law for the cost of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device is exempt as a resource.
7. Effective September 26, 1980. HUD rental refund payments, made pursuant to settlement of Underwood v. Harris , are excluded in the month received and the following month.
8. Mandatory deductions from military pay for educational purposes while the recipient is enlisted.

(P.L. No. 99-576, Veterans' Benefits Improvement and Health-Care Authorization Act of 1986, Section 303(a)(1). 8/7/86.) Section 216 of P.L. No. 99-576 authorizes stipends for participation in study of Vietnam-Era veterans' psychological problems which are not excluded from income.
9. Payments to U.S. citizens of Japanese ancestry and resident Japanese aliens for up to \$20,000 each and payments to certain eligible Aleuts of up to \$12,000 each. P.L. No. 100-383. Section 105(f)(2) Civil Liberties Act of 1988.
10. P.L. No. 100-435, Section 501, 9/19/88, amended Child Nutrition Act to allow under WIC demonstration projects, coupons that may be exchanged for food at farmers' markets.
11. Payments made from the Agent Orange Settlement Fund (P.L. No. 101-201). All payments from the Agent Orange Settlement fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation are excluded from resources retroactive to January 1, 1989.

The disabled veteran will receive yearly payments. Survivors of deceased disabled veterans will receive a lump-sum payment. These payments were disbursed by the AETNA insurance company. (Reference exempt income Section B-4222.7 (excluded by other federal statute.)
12. A federal earned income tax credit received either as a lump sum or as payments under Section 3507 or the Internal Revenue code for the month of receipt and the following month for the individual and that individual's spouse (P.L. No. 101-508).

A federal, state, or local Earned Income Tax Credit (EITC) would be exempted for 12 months from receipt for any household member if the individual receiving the EITC was participating in the Food Stamp Program when the EITC was received and participation continues for 12 months. Temporary non-participation due to administrative reasons, such as a delayed recertification, shall not affect the 12-month participation requirement (P.L. No. 103-66, Mickey Leland Childhood Hunger Relief Act of 1993).
13. Any money received from the Radiation Exposure Compensation Trust Fund, pursuant to P.L. No. 101-426 as amended by P.L. No. 101-510.
14. P.L. No. 103-286. Section 1(a), 8/1/94, Section 1(a), provides in part that payments made to individuals because of their status as victims of Nazi persecution shall be disregarded in determining eligibility for and the amount of benefits or services to be provided under any federal or federally assisted program which provides benefits or services based, in whole or in part, on need.
15. P.L. No. 103-322. Section 230202, 9/13/94. Amendments to Section 1403 of the Crime Act of 1984

(42 U.S.C. 10602) provides in part that, notwithstanding any other law, if the compensation paid by an eligible crime victim compensation program would cover costs that a federal program or a federally financed state or local program would otherwise pay:

- such crime victim compensation program shall not pay that compensation.
- the other program shall make its payments without regard to the existence of the crime victim compensation program.

Based on this language, payments received under this program must be excluded from income for food stamp purposes.

16. P.L. No. 104-204, 9/25/96, requires that allowances paid under this law to children of Vietnam veterans who were born with spina bifida be excluded from resources.
17. P.L. No. 111-312, requires that Federal income tax refunds received during the period January 1, 2010 through December 31, 2012, must be disregarded as a resource for twelve (12) months from the date of receipt by the client.

Part B- AMERICAN INDIAN OR ALASKA NATIVE

Note: Usually a law will specify payments to members of a tribe or band, and the law will apply to the members enrolled in the tribe or band wherever they live. The individuals should have documentation showing where the payments originate.

1. P.L. No. 92-203, section 29, dated 1/2/76, the Alaska Native Claims Settlement Act, and Section 15 of P.L. No. 100-241, 2/3/88, the Alaska Native Claims Settlement Act Amendments of 1987 - All compensation (including cash, stock, partnership interest, land, interest in land, and other benefits) received under this Act are excluded from resources.
2. P.L. No. 93-134, the Judgment Award Authorization Act, as amended by P.L. No. 97-458, Section 1407, 11/12/83 and P.L. No. 98-64, 8/2/83, the Per Capita Distribution Act. P.L. No. 97-458 required the exclusion of per capita Payments under the Indian Judgment Fund Act (judgment awards) of \$2,000 or less from resources. The exclusion applies to each payment made to each individual. Initial purchases made with exempt payments distributed between January 1, 1982 and January 12, 1983, are excluded from resources to the extent that excluded funds were used. P.L. No. 98-64 extended the exclusion to cover per capita payments from funds which are held in trust by the Secretary of Interior (trust fund distributions). [Note that this exclusion applies to per capita payments authorized under other public laws.]

P.L. No. 93-134, the Indian Tribal Judgment Fund Use or Distribution Act, Section 8, 10/19/73, as amended by P.L. No. 103-66, Section 13736, 10/7/93, provides that interest of individual Indians in trust or restricted lands shall not be considered a resource and up to \$2,000 per year of income received by individual Indians that is derived from such interests shall not be considered in determining eligibility for assistance under the Social Security Act or any other federal or federally assisted program.

3. P.L. No. 93-531, section 22 - Relocation assistance payments to members of the Navajo and Hopi Tribes are excluded from resources.
4. P.L. No. 94-114, section 6, 10/17/75 - Income derived from certain submarginal land held in trust for certain Indian tribes is excluded from resources. The tribes that may benefit are:

Bad River Band of the Lake Superior Tribe of Chippewa Indians of Wisconsin
Blackfeet Tribe
Cherokee Nation of Oklahoma
Cheyenne River Sioux Tribe
Crow Creek Sioux Tribe
Lower

Brule Sioux Tribe
Devils Lake Sioux Tribe
Fort Belknap Indian Community
Assiniboine and Sioux Tribes
Lac Courte Oreilles Band of Lake Superior Chippewa Indians
Keweenaw Bay Indian Community
Minnesota Chippewa Tribe
Navajo Tribe
Oglala Sioux Tribe
Rosebud Sioux Tribe
Shoshone-Bannock Tribes
Standing Rock Sioux Tribe

5. P.L. No. 94-189. Section 6, 12/31/75 - Funds distributed per capita to the Sac and Fox Indians or held in trust are excluded from resources. The funds are divided between members of the Sac and Fox Tribe of Oklahoma and the Sac and Fox Tribe of the Mississippi in Iowa. The judgments were awarded in Indian Claims Commission dockets numbered 219, 153, 135, 158, 231, 83, and 95.
6. P.L. No. 94-540 - Payments from the disposition of funds to the Grand River Band of Ottawa Indians are excluded from resources.
7. P.L. No. 95-433, section 2 - Indian Claims Commission payments made pursuant to this Public Law to the Confederated Tribes and Bands of the Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation are excluded from resources.
8. P.L. No. 96-420, section 9(c), 10/10/80, Maine Indian Claims Settlement Act of 1980 - Payments made to the Passamaquoddy Tribe, the Penobscot Nation, and the Houlton Band of Maliseet are excluded from resources.
9. P.L. No. 97-403 - Payments to the Turtle Mountain Band of Chippewas, Arizona are excluded from resources.
10. P.L. No. 97-408 - Payments to the Blackfeet, Grosventre, and Assiniboine tribes. Montana, and the Papago, Arizona, are excluded from resources.
11. P.L. No. 98-123. Section 3, 10/13/83 - Funds distributed under this Act to members of the Red Lake Band of Chippewa Indians are excluded from resources. Funds were awarded in docket number 15-72 of the United States Court of Claims.
12. P.L. No. 98-124. Section 5 - Per capita and interest payments made to members of the Assiniboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Reservation Montana. are excluded from resources. Funds were awarded in docket 10-81L
13. P.L. No. 98-500. Section 8, 10/17/84, Old Age Assistance Claims Settlement Act, provides that funds made to heirs of deceased Indians under this Act shall not be considered resources nor otherwise used to reduce or deny food stamp benefits except for per capita shares in excess of \$2,000.
14. P.L. No. 99-146. Section 6(b), 11/11/85 - Funds distributed per capita or held in trust for members of the Chippewas of Lake Superior are excluded from resources. Judgments were awarded in Dockets Numbered 18-S, 18-U, 18-C. and 18-T. Dockets 18-S and 18-U are divided among the following reservations:

Wisconsin

Bad River Reservation
Lac du Flambeau Reservation
Lac Courte Oreilles Reservation
Sokaogon Chippewa Community
Red Cliff Reservation
St. Croix Reservation

Michigan

Keweenaw Bay Indian Community (L'Anse, Lac Vieux Desert, and Ontonagon Bands)

Minnesota

Fond du Lac ReservationGrand Portage ReservationNett Lake Reservation (including
Vermillion Lake and Deer Creek)White Earth Reservation

Under dockets 18-C and 18-T funds are given to the Lac Courte Oreilles Band of the Lake Superior Bands of Chippewa Indians of the Lac Courte Oreilles Reservation of Wisconsin, the Bad River Band of the Lake Superior Tribe of Chippewa Indians of the Bad River Reservation, the Sokaogon Chippewa Community of the Mole Lake Band of Chippewa Indians, and the St. Croix Chippewa Indians of Wisconsin.

15. P.L. No. 99-264, White Earth Reservation Land Settlement Act of 1985, 3/24/86, Section 16 excludes moneys paid under this Act from resources. This Act involves members of the White Earth Band of Chippewa Indians in Minnesota.
16. P.L. No. 99-346, Section 6(b)(2) - Payments to the Saginaw Chippewa Indian Tribe of Michigan are excluded from resources.
17. P.L. No. 99-377. Section 4(b), 8/8/86, - Funds distributed per capita to the Chippewas of the Mississippi or held in trust under this Act are excluded from resources. The judgments were awarded in Docket Number 18-S. The funds are divided by reservation affiliation for the Mille Lac Reservation. Minnesota: White Earth Reservation. Minnesota: and Leech Lake Reservation, Minnesota.
18. P.L. No. 101-41. 6/21/89, the Puyallup Tribe of Indians Settlement Act of 1989, Section 10 (b) provides that nothing in this Act shall affect the eligibility of the Tribe or any of its members for any Federal program. Section 10(c) provides that none of the funds, assets, or income from the trust fund established in section 6(b) shall at any time be used as a basis for denying or reducing funds to the Tribe or its members under any Federal, State, or local program. (The Puyallup Tribe is located in the State of Washington.)
19. P.L. No. 101-277, 4/30/90, funds appropriated in satisfaction of judgments awarded to the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission are excluded from resources except for per capita payments in excess of \$2,000. Payments were allocated to the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, the Miccosukee Tribe of Indians of Florida, and the independent Seminole Indians of Florida.
20. P.L. No. 101-503. Section 8(b), Seneca Nation Settlement Act of 1990, dated November 3, 1990, provides that none of the payments, funds or distributions authorized, established, or directed by this Act. and none of the income derived therefrom, shall affect the eligibility of the Seneca Nation or its members for, or be used as a basis for denying or reducing funds under, any federal program.
21. P.L. No. 103-436, 11/2/94, Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act, Section 7(b), provides that payments made pursuant to that Act are totally excluded from resources for food stamp purposes.

B-4225.8 COMMINGLED EXEMPT RESOURCES

Exempt monies that are kept in a separate account and that are not commingled in an account with non-excluded funds, shall retain their resource exclusion for an unlimited period of time. Those excluded shall retain their exemption for 6 months from the date they are commingled. After 6 months from the date of commingling, all funds in the commingled account shall be counted as a resource. (See exception for students and self-employed income - B-4225.2.)

B-4225.81 Resources Used by Household Members

Where an exclusion applies because of use of a resource by or for a household member, the exclusion shall also apply 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. For example, work related equipment essential to the employment of an ineligible alien or disqualified person shall be excluded, as shall one burial plot per ineligible alien or disqualified household member.

B-4225.9 TRANSFER OF RESOURCES

At the time of application, households shall be asked to provide information regarding any resources which any household member or ineligible alien or disqualified person whose resources are being considered available to the household has transferred within the three month period immediately preceding the date of application. Households which have transferred resources knowingly for the purpose of qualifying or attempting to qualify for food stamp benefits shall be disqualified from participation in the program for up to one year from the date of discovery of the transfer. This disqualification period shall be applied if the resources are transferred knowingly in the three month period prior to application or if they are transferred knowingly after the household is determined eligible for benefits.

An example of the latter would be assets which the household acquires after being certified for benefits which are then transferred to prevent the household from exceeding the maximum resource limit.

Eligibility for the program will not be affected by the following transfers:

- A. Resources which would not otherwise affect eligibility, for example resources consisting of excluded person property such as furniture or of money that when added to other household resources, totaled less at the time of the transfer than the allowable resource limits:
- B. Resources which are sold or traded at, or near fair market value.
- C. Resources which are transferred between members of the same household including ineligible aliens or disqualified individuals whose resources are being considered available to the household;
- D. Resources which are transferred for reasons other than qualifying or attempting to qualify for food stamp benefits, for example a parent placing funds into an educational trust fund described in B-4225.1.

In the event the Food Stamp office establishes that an applicant household knowingly transferred resources for the purpose of qualifying or attempting to qualify for food stamp benefits, the household shall be sent a notice of denial explaining the reason for and length of disqualification. The period of disqualification shall begin in the month of application. If the household is participating at the time of the discovery of the transfer, a notice of adverse action explaining the reason for and the length of disqualification shall be sent. The period of disqualification shall be made effective with the first allotment to be issued after the notice of adverse action has expired, unless the household has requested a fair hearing and continued benefits.

The length of the disqualification period shall be based on the amount by which nonexempt transferred resources, when added to other countable resources, exceed the allowable resource limits.

The following chart shall be used to determine the period of disqualification for transfer of resources.

| Amount in excess of the resource limit | Period of disqualification |
|---|----------------------------|
| \$1 to \$249 | 1 mo. |
| \$250 to \$999 | 3 mo. |
| \$1,000 to \$2,999 | 6 mo. |

| | |
|--------------------|--------|
| \$3,000 to \$4,999 | 9 mo. |
| \$5,000 | 12 mo. |

B-4226-B-4229 (None)

B-4230 COUPON ALLOTMENTS AND IDENTIFICATION CARDS [Eff. 07/01/2009]

After eligibility has been established, the monthly coupon allotment will be determined. The eligibility technician shall use either the basis of issuance charts furnished under separate transmittal letter or the following formula to determine the monthly allotment.

- A. Multiply the net monthly income by 30%.
- B. Round the product up to the next whole dollar if it ends in 1 through 99 cents.
- C. Subtract the result from the Thrifty Food Plan table shown below for the appropriate household size. If computation results in \$1, \$3, or \$5, round up to \$2, \$4 or \$6 respectively.
- D. If the allotment for a one- or two-person household is less than \$10, round the allotment up the minimum benefit allowed for one- or two-person household.

The food coupon allotment tables will be adjusted as announced by the USDA, Food and Nutrition Service, and the information will be sent in an Agency Letter to all county department of social/human services, as well as posted on the CDHS web site.

B-4230.1 INITIAL MONTH ALLOTMENT PRORATION [Rev. eff. 2/1/11]

A household's benefit level for the initial month of application (see Section B-4011.12 for definition) shall be based on the day of the month it applies for benefits. Benefits for the initial month shall be prorated from the date of application to the end of the month. A household applying on the thirty first (31st) of a month will be treated as though it applied on the thirtieth (30th) of the month.

- A. Applicant households consisting of residents of a public institution who apply jointly for SSI and food assistance prior to release from an institution will have their eligibility determined for the month in which the applicant household was released from the institution. The benefit level for the initial month of certification shall be based on the date of the month the household is released from the institution and the household shall receive benefits from the date of the household's release through the end of the month.
- B. The only exception to the pro-ration policy shall be migrant and seasonal farm worker households who are in the job stream and the break in participation does not exceed thirty (30) days. These households are entitled to a full month allotment.
- C. Eligible households are entitled to a full month allotment for all months except an initial month of application.
- D. Effective May 1, 2004, the State automated system will utilize the exact number of days in the calendar month to determine the proration of benefits. The following formula shall be used to determine the amount of prorated benefits.
 1. Number of days in month plus one;
 2. Subtract date of application;

3. Multiply by full month's benefits;
4. Divide by number of days in the month.

E. Exceptions

Except during an initial month, all eligible one and two person households shall receive the minimum monthly allotments. The minimum monthly amount of food assistance will be reviewed annually. The current amount of the minimum benefit for a one- or two-person household will be sent in an Agency Letter to all county departments of human/social services every October; no later editions or amendments are incorporated. This information may be accessed on the Colorado Department of Human Services web site at: www.cdhs.state.co.us/policies.htm or by contacting: Director, Food Assistance Programs Division, Colorado Department of Human Services, 1575 Sherman Street, Denver, Colorado 80203.

Except for households that are eligible under basic categorical eligibility, households with three or more members who are entitled to zero benefits shall have the food assistance application denied. This provision does not apply if zero benefits are due to the pro-ration requirements or due to the initial month's allotment being less than ten dollars (\$10).

B 4230.11 ALLOTMENT REDUCTION, SUSPENSION OR CANCELLATION

If, upon notification from FCS, the state orders the food stamp office to enforce a benefit reduction, the State will supply temporary basis of issuance charts with the adjusted coupon allotments for eligible households. If a suspension or cancellation of food stamp benefits is ordered, household eligibility determinations shall be accomplished and allotment levels calculated even though households will not be issued normal benefits.

B 4230.12 ISSUANCE OF COUPONS

The eligibility worker should be sufficiently familiar with issuance operations to answer any questions the household may have about when, where, and how to obtain its allotment of coupons.

B 4230.2 IDENTIFICATION CARD

Each household certified as eligible to participate in the program will be issued an identification (ID) card. This card will be signed by the head of the household, spouse and the authorized representative, if one has been named for the obtaining of coupons. If no authorized representative has been named, this fact shall be indicated on the ID card.

Specially marked ID cards shall be issued as follows:

- A. A household eligible for and interested in using delivered meal services shall receive an ID card marked conspicuously with the letter "M". An expiration date shall be placed on an ID card marked with an "M" if the household is certified for delivered meals for a temporary period only, such as while a household member is convalescing.

The household should be informed that they should advise the delivered meal service that they plan to use food stamps to purchase delivered meals. Households eligible to purchase delivered meals may use their stamps to purchase meals delivered by an authorized delivery service or to purchase food for home consumption in an authorized retail store.

- B. A household eligible for and interested in using communal dining facilities shall receive an ID card marked conspicuously with the letters "CD".

C. A "homeless" household shall also receive an ID card marked with the letters "CD", as this identifies these households to homeless meal providers and restaurants approved to serve the homeless.

B-4230.21 Replacement of Identification Cards

The certification worker shall limit issuance of household ID cards (Form FS-5) to the 9th time of initial certification with replacements only in instances of loss, mutilation, destruction or changes in persons authorized to obtain or use coupons. However, a control must be set up so that only the most recently assigned card is honored for coupon issuance.

B-4240 CERTIFICATION PERIODS

Certification periods shall conform to calendar months. At the expiration of each certification period, entitlement to food stamp benefits ends. Further eligibility shall only be established on a newly completed application, an interview, and verification as required by the section entitled "Verification and Documentation". Under no circumstances shall benefits be continued beyond the end of a certification period without a new determination of eligibility.

Certification periods may not be shortened for households, unless the agency receives verified information that the household is ineligible for food stamp benefits.

Certification periods shall conform to calendar months. The eligibility worker should use the guidelines given in the section "Certification Period Guidelines" in determining the appropriate period of eligibility.

At the time of certification, it should be emphasized to the household that changes during the certification period that affect eligibility must be reported to the food stamp office on the Change Report Form within 10 calendar days from the date the change becomes known to the household. A household shall report changes in person, by phone, mail, fax or other electronic device. On recertification, a household need not be assigned the same certification period as formerly, but should be assigned a period of time based on a new review of the household's circumstances. Eligibility for program benefits will cease at the end of each assigned certification period. The State prescribed Notice of Action form provided to the applicant household, shall indicate the period of certification, if the household is determined to be eligible for benefits.

Refer to the section "Variable Certification" for further information.

B-4240.1 CERTIFICATION PERIOD GUIDELINES

A. PA Households

Households in which all members are included in a single PA grant shall be assigned food stamp certification periods with a definite ending date which expire the month of PA grant redetermination.

The certification period cannot exceed 12 calendar months. Initial public assistance (PA) cases, once approved, can be assigned a maximum food stamp certification period of up to 12 months. The initial certification period will be up to three months and when the PA is approved, another application for recertification must be taken so the certification period can be up to the next 12 months.

Delinquent PA redetermination shall not delay the food stamp recertification beyond the date of the household's food stamp certification period ending date. The household must be sent a Notice of Expiration form in accordance with the section "Timely Application for Subsequent Certification".

Households shall be assigned the longest certification periods possible based on the predictability of the household's anticipated income and other circumstances.

B. Households Certified After 15th Day of Month

Households eligible for a certification period of three months or less shall have their certification periods increased by one month, if the certification process is not completed until after the 15th day of the month of application and the household circumstances warrant the longer certification period.

C. Unstable Households

Households shall be assigned certification periods of at least six (6) months unless the household circumstances are unstable or the household contains an able bodied adult without dependents (ABAWD). Households with unstable circumstances, such as households with zero net income, households with an ABAWD member, strikers, households with day laborers or migrant workers shall be assigned certification periods consistent with their circumstances but not less than three (3) months.

D. One or Two Month Certification

A household shall be assigned a 1 or 2 month certification period when there is evidence that the household will become ineligible for food stamp benefits in the next month or the month following that month.

E. The following households shall be certified as indicated based on the likelihood of household change and taking into account local economic conditions.

1. UI Households

Households in which one or more members are receiving Unemployment Insurance (UI) shall be certified for the length of time the UI benefits are anticipated to continue, not to exceed six months.

2. Stable Households

Households shall be certified for up to six months if there is little likelihood of changes in income and household status, for example, households with a stable income record and for which major changes in income or deductions, or changes in household composition, are not anticipated.

3. Elderly or Unemployable Households

Households consisting entirely of elderly or unemployable persons with very stable income shall be certified for up to 12 months, provided other household circumstances are expected to remain stable. A 24-month certification period may be assigned to households that receive Supplemental Security Income (SSI), Old Age Pension, Aid to the Blind and Aid to the Needy Disabled with a Colorado Supplement (OAP/AB/AND/SSI-CS), State Old Age Pension (OAP), State Aid to the Needy Disabled (AND), State Aid to the Blind (AB), Veteran's Administration (VA) Disability, Railroad Retirement Benefits or Social Security Disability. The household must have no earned income, as defined in Section B-4221.1; all members must be receiving the grant or pension; and, household circumstances must be stable. A 12-month review must be accomplished by having the household complete a change report or recertification form to verify if any changes have occurred. The form must be returned or the case will be closed following the notice of

adverse action period. The notice will state the reason for ending the certification and that the certification period will end following the adverse action period.

4. Self-employed Households

Households whose income is from self-employment (including self-employed farmers) or from regular farm employment with the same employer, shall be certified for up to 12 months, provided income can be annualized. Households starting a self-employment enterprise shall be assigned a certification period of six to 12 months. Public assistance households shall follow the Title IV-A programs certification guidelines.

5. School Employee Households

Teachers and other school employees having contract income prorated over 12 months are normally certified for three to 12 months depending on individual circumstances.

6. Student Households

Households containing eligible students are normally certified for a school term (semester, quarter).

B-4242 CHANGES DURING THE CERTIFICATION PERIOD [Rev. eff. 3/2/10]

Certified households are required to report changes as follows:

Households shall be required to report changes in household circumstances no later than ten (10) days from the end of the calendar month in which the change occurred. The household shall be allowed to report changes in person, by telephone or in writing. A toll-free number or a number where collect calls will be accepted for households outside the local calling area will be indicated on all the Change Report Forms.

The Change Report Form shall be provided to newly certified households at the time of certification and recertification. Households shall be provided a new change report form each time a change is submitted using the form.

B-4242.1 WHEN CHANGES ARE CONSIDERED REPORTED [Rev. eff. 3/2/10]

A change shall be considered to be reported as of the date the reported change is received by the food assistance office, provided that required verification is received within ten (10) calendar days from the date the change is reported. If verification is received more than ten (10) calendar days from the date the change is reported, or during the adverse action period, the change is considered to be reported on the date the verification is received. The food assistance office has up to ten (10) calendar days to act from the date of the reported change and/or the verification that has been provided.

Households shall be notified of the receipt of the Change Report Form at the time the household is notified of an increase or decrease in benefits resulting from the reported change, or at the same time the household is notified that additional verification is necessary to process the reported change. If additional verification is required to process the reported change, the household shall be notified of the verification needed, and the deadline for submitting required verification to the food assistance office. The notice shall inform the household that the change must be verified prior to action being taken by the food assistance office if benefits are to be increased.

Households shall be advised that assistance can be obtained from the food assistance office if it experiences difficulty in obtaining required verification.

B-4242.11 Changes Households are Required to Report [Rev. eff. 2/1/11]

A. Simplified Reporting Households

Simplified reporting households are defined as households consisting of migrant and seasonal farm workers, homeless, elderly or disabled, and all other households that do not include an Able-Bodied Adult Without a Dependent (ABAWD) member, as defined in Section B-4215.45.

1. All households with certification periods of six months and twenty-four months shall be considered simplified reporting households.
2. Households with six-month certifications are required to report changes at redetermination.
3. Households with twenty-four month certifications are required to report changes at the twelve-month interim reporting period and at redetermination.

All simplified reporting households shall be required to report and verify changes in the household's combined gross income if the amount exceeds one hundred thirty percent (130%) of the federal poverty level with one exception. The exception is for households eligible under expanded categorical eligibility rules that include a member who is elderly or is a person with a disability, who is required to report changes in the household's combined gross income if the amount exceeds two hundred percent (200%) of the federal poverty level.

Upon benefit approval at the initial application, redetermination, and an interim change report, the household shall be provided with a notice of the gross income level that applies to its household size. Information containing income limits will be provided every October in an Agency Letter to all county departments of human/social services; no later editions or amendments are incorporated. This information may be accessed on the Colorado Department of Human Services web site at: www.cdhs.state.co.us/policies.htm or by contacting: Director, Food Assistance Programs Division, Colorado Department of Human Services, 1575 Sherman Street, Denver, Colorado 80203.

The county food assistance office must act on any change reported by a simplified reporting household that would increase benefits in accordance with the provisions of this section. The county food assistance office must not act on changes under simplified reporting rules that would decrease benefits unless:

1. The head of household requests that his/her case be closed;
2. The head of household requests that any member be removed;
3. An adult member requests to be removed from the case;
4. An adult member requests that he/she and his/her children be removed from the case;
5. The agency has information about the household's circumstances considered verified upon receipt (see Section B-4011.31);
6. There has been a change in the household's public assistance grant.

Simplified reporting households that exceed the one hundred thirty percent (130%) or two hundred percent (200%) gross income level, as applicable to their household composition, will have ten (10) days from the end of the month in which the change occurred to report the change to the food assistance office.

The county food assistance office must act on any changes reported by those households filing

an interim report in accordance with the change reporting processes of this section. If the household files a complete report that results in reduction or termination of benefits, the agency shall send a notice of adverse action. The notice of adverse action must be mailed at least two (2) working days prior to the date that benefits are normally received by the household. If the household fails to provide sufficient information or verification regarding a deductible expense, the county food assistance office shall not terminate the household but shall instead determine the household's benefits without allowing the deduction.

B. Non-Simplified Reporting Households

Non-simplified reporting households are those households that include an Able Bodied Adult Without Dependents (ABAWD). ABAWD households shall be required to:

1. Report and verify changes of more than fifty dollars (\$50) in the amount of the household's gross monthly unearned income, and more than one hundred dollars (\$100) in the household's gross monthly earned income, except mass changes or changes in the public assistance grant which are already known to the county department.
2. Report and verify changes in the source of income.
3. Report all changes in household composition, such as the addition or loss of a household member, and verify if questionable.
4. Report and verify changes in residence and the resulting change in shelter costs.
5. Report and verify changes in the total amount of cash on hand, stocks, bonds or money in a bank account or savings institution if such changes make the total reach or exceed the maximum resource limit for the household, if eligibility is determined using standard eligibility rules.
6. Report and verify changes in the legal obligation to pay child support and changes in the amount legally obligated to be paid.

B-4242.12 Reporting Changes [Rev. eff. 2/1/11]

Households shall report changes no later than ten (10) days from the end of the calendar month in which the change occurred. Changes reported by the household by telephone or in person shall be acted upon in the same manner as those reported on the Change Report Form. If reporting by mail, households will have met the reporting requirement provided the envelope is postmarked within the required ten (10) day period. Public Assistance (PA) households which report a change in circumstances to the PA worker shall be considered to have reported the change for food assistance purposes.

An applicant household shall report all changes related to its food assistance eligibility and benefits at the certification interview. If a change is reported in a beginning month and the application has not yet been processed, the food assistance office shall act on the most current information. Changes that households are required to report which occur after the interview, but before the date of the Notice of Eligibility, shall be reported by the household within ten (10) calendar days of the date of the notice.

B-4242.13 Failure to Report Changes [Rev. eff. 2/1/11]

If food assistance benefits are overissued because a household fails to timely report changes in household circumstances or income as required, a claim will be established and a notice of overpayment and a repayment agreement will be mailed. If the discovery is made within the certification period, the household must be given advance notice if its benefits are to be reduced. A claim is not required if changes are timely reported by the household and timely acted on by the food assistance office. A

household shall not be held liable for a claim because of a change in household circumstances which it is not required to report.

B-4242.2 ACTION ON REPORTED CHANGES

Changes reported by households shall be documented in the food stamp case file to indicate the change and the date that the change was reported (that is, the day the FS-6 was received or the change was reported over the telephone or by a personal visit). If an FS-6 was used, the food stamp office shall provide another Change Report Form to the household and notify the household of the receipt of the change report.

Changes shall be acted on in accordance with the following guidelines:

A. Changes Resulting in Ineligibility

Changes shall be acted on prospectively by anticipating the household's circumstances (income, deductions, resources, non financial eligibility criteria, etc.) for the issuance month to determine if a household will still be eligible for the food stamp program. Documentation of the eligibility determination shall be noted in the case record. Changes resulting in ineligibility shall be acted on within 10 calendar days from the date the change is reported, and shall be made effective on the last day of the month in which the notice of adverse action expires (see the section "Advance Notice of Adverse Action"). Refer to the section "Suspension of Issuance for Households" if the ineligibility is not expected to continue in the subsequent month.

B. Changes in Household Composition

Changes in household composition shall be acted on prospectively for the month of the change and for the following month when the food stamp office is able to affect the change in either month. Anticipated income, resources, deductions, etc. of the new or deleted member shall be considered in the prospective determination.

Households in which all members are considered in the Title IV-A budget unit must be budgeted prospectively. Refer to section entitled "Prospective Budgeting" .

1. Changes in Household Composition Resulting in an Increased Allotment

Changes in household composition that result in an increased allotment shall be made effective no later than the first allotment issued 10 days after the date the change is considered to be reported. However, in no event shall the change be made effective any later than the month following the month the change is considered to be reported.

Therefore, if such a change is reported after the 20th of a month, and it is not possible to adjust the following month's coupon allotment before the household's next normal issuance day, a supplemental allotment (in addition to the previously authorized monthly allotment) must be issued within 10 days from the date the change was considered to be reported. A supplemental allotment shall not be issued for the month in which the change occurred. However, if a change is reported at least 10 days prior to the household's next regularly scheduled issuance, the change shall be made effective by the next allotment even if the next allotment is to be issued in the same month the change is reported.

A worksheet prescribed by the Food Assistance Programs Division must be used to re-compute the household's benefits with consideration of the change reported. Form FS-4 or Form FS-4A shall be issued to inform the household of a new basis of issuance and/or a supplemental allotment. The amount of the supplemental allotment shall be the difference between the allotment which the household should receive, due to the reported

change, and the allotment which the household actually received. The household's total monthly allotment must be increased for all subsequent months of the certification period which are affected by the change.

2. Changes in Household Composition Resulting in a Decreased Allotment

Changes shall be acted on within 10 calendar days from the date the change is reported and made effective on the last day of the month the advance notice of action expires.

C. Changes Resulting in Allotment Decreases

Changes that result in a decreased allotment shall be processed within 10 calendar days from the date the change is considered reported and made effective on the last day of the month in which the advance notice of action expires.

Households in which all members are considered in the Title IV-A budget unit must be budgeted prospectively. Refer to the section "Prospective Budgeting" .

D. Other Changes to Households

Changes to households shall be handled prospectively and processed within 10 calendar days from the date the change is considered to be reported. If the change results in an increase in the household's benefits because of a decrease of \$50 or more in gross monthly income or the addition of a new household member, the increased allotment shall be made no later than the first allotment issued 10 days after the change is considered to be reported. However, in no event shall the change take effect later than the month following the month the change was reported. If the change results in an increase of benefits due to any other reason, the increased allotment shall be effective no later than the first allotment issued 10 days after the change was reported.

B-4242.21 Verification of Reported Changes

Changes which result in increased food stamp benefits for a household. must be verified by the household within 10 calendar days from the date the change is reported. If the household fails to provide verification, benefits shall remain at the original level until verification is obtained. If verification is obtained after the 10-day timeframe, the office shall consider the change as reported on the day the verification is received. In cases where the food stamp office has determined that a household has refused to cooperate in providing verification necessary to determine eligibility (see section entitled "Application and Recipient Responsibility"), the household's eligibility shall be terminated following a Notice of Adverse Action.

For a determination of refusal to be made, the household must be able to cooperate, but clearly demonstrate that it will not take actions that it can take and that are required to determine eligibility when a change of more than \$25 occurs. Households experiencing difficulty in obtaining necessary verification shall be assisted by the food stamp office either in obtaining the documentary evidence or by making a collateral contact. The food stamp office must ensure that the household was notified of the needed verification and sufficient time was allowed to obtain the verification.

The majority of changes which result in a reduction of benefits or ineligibility to households will require verification to be obtained at recertification. The Food Stamp office will take action, if possible, to decrease the allotment based on the reported change. The household will be advised of the new allotment level.

Some changes that could affect an allotment may still require additional verification prior to taking action. If the county food stamp office receives information about changes in a household's circumstances but cannot determine if the change will affect the household's benefits, the food stamp office shall send a request for contact notice requesting the household to provide the specific information or verification

within the 10-day time period. The food stamp office shall offer assistance in obtaining the verification if the household cannot obtain the information. The notice shall advise the household to respond by telephone or by correspondence as the county directs and state the consequences of not responding to the notice. If the household fails or refuses to provide the verification or to request assistance within the 10-day timeframe, the process for closing the case shall be initiated. The notice of action shall advise the household that a change occurred that could not be acted upon, that the case is being closed, and that the household must reapply and provide the needed verification if it wishes to continue participation in the program.

B-4242.3 MASS CHANGES

There are certain changes which the household is not required to report. These adjustments go into effect for all households at a specific point in time, and the certification agency will have full prior knowledge of the change. Such changes are generally initiated as a result of the change in state or federal regulations and include, but are not limited to, the following:

- A. Changes in the amount of federally aided public assistance and state-only assistance payment's standards (state-only OAP and AND).
- B. Changes in federal standards, such as adjustments to the standard deduction, to the Thrifty Food Plan, and reduction, cancellation or suspension of Food Stamp Program benefits, household allotment charts and income eligibility standards; and
- C. Changes in RSDI, or SSI payments due to cost-of-living increases.

When such changes occur, the certification office shall be responsible for making the appropriate adjustments in the household's eligibility or allotment as directed by the state department. Notice of Adverse Action notice is not required, however, households shall be notified as follows:

Federal Adjustments to Eligibility Standards, Allotments and Deductions, and State Adjustments to the Standard Utility Allowance shall not require Notice of Adverse Action to affected households, however, households shall be notified of such changes through the news media; posters in certification or issuance offices, or other locations frequented by participating households; or general notices mailed to participating households.

Mass Changes in Public Assistance Grants and Cost of Living Adjustments and increases in federal RSDI, SSI Benefits Other Federal Benefits shall require a notice when food stamp benefits are decreased or terminated. At a minimum, affected households shall be informed of:

- A. The general nature of the change;
- B. Examples of the change's effect on household's allotments;
- C. The month in which the change will take effect;
- D. The household's right to a fair hearing;
- E. The household's right to continuation of benefits if the household does not specifically waive its right to continuation of benefits, requests a fair hearing in accordance with the section "Continuation of Benefits", and the household's request for fair hearing is based upon improper computation of food stamp eligibility or benefits, or upon misapplication or misinterpretation of state rules, or federal law or regulation;
- F. Of the household's liability for any overissued benefits if the hearing decision is adverse; and

G. General information on whom to contact for additional information.

Such notice shall be provided to the household as much before the household's scheduled issuance date as reasonably possible, although the notice need not be given any earlier than the time required for advance Notice of Adverse Action.

Households will continue to be responsible for reporting any changes in eligibility factors which the certification office does not have full prior knowledge.

B-4242.31 Processing Mass Changes in Public Assistance (PA)

Public assistance grant cost-of-living increases are treated as mass changes in the food stamp program.

Mass changes shall be processed prospectively for all households. Food stamp benefits shall be recomputed and the change shall be effective in the same month as the change in the PA grant if the certification agency has at least 30 days' advance knowledge of the amount of the public assistance adjustment. In cases where the certification agency does not have 30 days advance notice, the food stamp change shall be made effective no later than the month following the month in which the PA grant was changed.

B-4242.32 Processing Social Security/SSI Cost-of-Living Increases

Changes in Social Security and SSI benefits due to cost-of-living adjustments shall be processed as described in the section "Processing Mass Changes in Public Assistance" .

B-4242.33 Processing Individual Public Assistance (PA) Household Changes

When there is an individual change in a public assistance case and the county has sufficient information to make the corresponding food stamp adjustment, the county shall follow the guidelines listed below.

- A. If the change in household circumstances requires a reduction or termination of both public assistance and food stamps (such as increased income which exceeds public assistance (PA) and FS limits the following action will be required:
 1. Send Notices of Adverse Action for both programs simultaneously with both notices bearing the same effective date.
 2. Households requesting a food stamp appeal may be entitled to continued benefits (refer to the section "Continuation of Benefits"). If the household requests a fair hearing prior to the effective date of the notice of adverse action (within 11 calendar days) and the certification period has not expired, benefits will be continued at the level prior to the notice of adverse action.
 3. If the household appeals only a PA adverse action and is granted interim relief, food stamp benefits authorized prior to the adverse action shall continue or be restored (refer to the section "Continuation of Benefits"). However, the household must reapply if the food stamp certification period expires before the hearing process is completed.
 4. If the household does not appeal the adverse action to decrease the public assistance or food stamp benefits within the adverse action period, the changes shall be made in accordance with timeframes outlined in the section entitled "Action on Reported Changes" .
- B. If the change requires a reduction or termination of public assistance and/or increases in food stamps (such as acquisition of resources valued in excess of Title IV-A limits, but within food stamp limits)

the following action will be required:

1. A public assistance notice of adverse action is issued to the household and food stamp benefits are not increased until the adverse action period expires. If the household does not appeal, the increase shall be effective in accordance with the section entitled "Action on Reported Changes". The time limit for taking the action to increase benefits shall be calculated from the date the PA notice of adverse action expires.
 2. If the household requests a PA state appeal and is granted interim relief, the household is entitled only to food stamp benefits that were in effect prior to the PA adverse action and action must be taken to correct the current basis of issuance. A food stamp claim must be made against the household if there was an overissuance for the period pending the appeal decision.
- C. When there is an individual change in a PA case which results in a termination of PA but there is insufficient information to determine food stamp eligibility (such as lack of information on a parent who has returned to the home), the county shall follow the guidelines listed below.

If the change requires reduction or termination of public assistance, the following will be required.

1. The PA Advance Notice of Adverse Action and a "Request for Contact" notice are issued simultaneously. The public assistance notice makes the action effective on the last day of the month the notice is sent (or the last day of the following month, as appropriate, to allow for the required advance notice period). The routine extension on food stamp notices allows the household time to reapply for benefits at the appropriate food stamp office.

The "Request for Contact" notice shall advise the household of the information that needs to be verified for the household to continue to receive food stamp benefits. The worker shall not take any further action until the PA notice of adverse action period expires or until the household requests a fair hearing. If the household does not appeal the PA action and continuation of benefits, the agency may resume action on the reported change. Depending on the response or non-response to the "Request for Contact" notice, the worker shall adjust the household's benefits if the verification of the household circumstances are received, or issue a notice of adverse action to close the household's case if the household does not respond or refuses to provide information.
 2. Households requesting a food stamp appeal may be entitled to continued benefits (refer to the section "Continuation of Benefits").
 3. If the household requests only a public assistance state appeal and is granted interim relief, food stamp benefits authorized prior to the adverse action will continue or be restored (refer to the section "Continuation of Benefits").
- D. If the situation does not require a PA notice of adverse action, the county food stamp office must issue a "Request for Contact" notice and take the action based on the normal change reporting processing time frames.

B-4242.34 Transitional Benefits for Households Leaving the TANF (Colorado Works) Program

B-4242.341 Eligibility for Benefits

Households that are leaving the Colorado Works Program due to earnings will be eligible for transitional benefits, which will be provided by the county food stamp office.

B-4242.342 Transitional Food Stamp Benefits

- A. When a household leaves the Colorado Works Program/TANF, the food stamp office shall freeze for up to five months the household's benefit amount at the level the household received when it was in the Colorado Works Program/TANF. This is the household's transition period. If the household is losing income as a result of leaving the Colorado Works Program, the food stamp office must adjust the food stamp benefit amount before initiating the transition period.

To provide for the transition period, the food stamp office shall recertify the household for five months. The Colorado Works cash grant amount will be removed from the income calculation for the transition period.

The food stamp office must issue a transition notice advising the household of the following:

1. The food stamp case shall be re-evaluated not more than five months from the effective date that the Colorado Works case is closed.
 2. The household's benefit amount will remain the same as when receiving cash assistance or the benefit amount will be adjusted by the food stamp office if the household's income is decreasing as the result of having the Colorado Works Program basic cash grant discontinued.
 3. The household is not required to report and provide verification for any changes in the household circumstances until the deadline for its recertification interview.
 4. The household may report changes if income decreases, expenses increase, or the household size increases. The food stamp office may request verification of any reported change.
- B. If the household does report changes in its circumstances during the transition period, the food stamp office must adjust the household's benefits in accordance with the section entitled "Action on Reported Changes" and the section entitled "Verification of Reported Changes" However, if the reported change would cause a reduction in the household's benefit amount, the change shall be made effective at the time of recertification.
- C. Before the end of the transition period, a notice of expiration shall be sent to the household advising the household that in order to continue participating, it must be recertified for benefits at the end of the transition period.
- D. A household has the option to reapply for benefits during the transition period.
- E. If the household begins receiving Colorado Works basic grant again during the transitional period, the transitional period will end.

B-4242.343 Denial of Transitional Benefits

- A. The county food stamp office shall not provide transitional benefits to a household that is leaving the Colorado Works Program when:
1. The TANF/Colorado Works eligibility worker has determined that the household is not in compliance with Colorado Works Program requirements; or,
 2. The late filing of the Monthly Status Report (MSR) which leads to the closure of the TANF case; or,
 3. It has been determined by the TANF or food stamp worker that the household has violated a

food stamp work requirement; or,

4. The food stamp or TANF worker has determined that a household member has committed an intentional program violation; or,

5. The TANF program (Colorado Works) case is being closed in response to information indicating that the household failed to comply with the food stamp program reporting requirements.

B. The food stamp office must use the procedures for processing a household's public assistance changes to determine the continued eligibility and benefit level of households denied transitional benefits under this section.

C. If the household is certified for transitional benefits and then begins receiving the Colorado Works basic cash grant, the transitional period shall end.

B-4242.35 Processing SSI Notices of Determination

In SSI/food stamp joint processed cases, the food stamp offices shall use SDX listings and/or questioning the household in order to obtain information on SSI determinations. If the information cannot be obtained through SDX listings and/or questioning the households, a written inquiry may be made to the SSA office to obtain information of the status of SSI determinations. Within ten days of learning of the determination of the SSI application, the food stamp office shall take action in accordance with the section "Action on Reported Changes" .

B-4242.36 Notice of SSI Denial Determinations

In SSI/food stamp joint processed cases in which the SSI determination results in denial, and the food stamp office believes that food stamp eligibility or benefit levels may be affected, the food stamp office shall send the household a notice of expiration advising that the certification period will expire the end of the month following the month in which the notice is sent, and that it must reapply if it wishes to continue to participate.

The notice shall also explain that its certification period is expiring because of changes in circumstances which may affect food stamp eligibility or benefit levels and that the household may be entitled to an out-of-office interview, in accordance with the section "Waiver of Office Interview" .

B-4243 ADVANCE NOTICE OF ADVERSE ACTION

The food stamp office shall notify a household of any change from its prior benefit level, the reason for the action and the date the action become effective on the Notice of Adverse Action (Form FS-4 or FS-4A), except as specified in the section "Changes not Requiring Advance Notice of Adverse Action" . The FS-14A (Demand Letter for Overissuance) is used as the notice of adverse action for claims and the resulting recoupment for failure to respond.

Households shall receive Advance Notice of Adverse Action giving at least 10 days' advance notice, plus one additional day for mailing time, before any adverse action becomes effective during the certification period.

B-4243.1 EFFECTIVE DATE OF NOTICE - PROSPECTIVE BUDGETING AND ELIGIBILITY DETERMINATIONS

If the 10-day advance notice period, plus one additional day for mailing time, can be given in the month the notice of adverse action is sent, the notice shall be effective on the last day of the month the notice is sent. If the 10-day advance notice period extends into the following month, the notice shall be effective on

the last day of the month the notice expires. The notice shall explain the reason for the proposed action and the date the action becomes effective. If the advance notice period ends on a weekend or holiday and a request for a fair hearing and continuation of benefits is received the day after the weekend or holiday, the request shall be considered timely received.

Prior to the effective date of the Notice of Adverse Action a recipient household may request a conference with the staff of the certification office responsible for the decision to take the adverse action, or the household may file an appeal of such action. If the household requests a conference, the certification office shall arrange such a conference to attempt to resolve the disputed action. The recipient household may be represented by legal counsel or have other persons present to aid the household in the conference. If the additional information presented in the conference proves that the adverse action is not warranted, the case file shall be documented and the Notice of Adverse Action cancelled. Refer to the section entitled "Request for Informal Conference and/or Fair Hearing" for specific requirements for conducting informal conferences.

The recipient household may also, prior to the effective date of the adverse notice of action either before or after the conference, appeal the contemplated action (refer to the section "Request for Informal Conference and/or Fair Hearing"). Households that timely request a hearing may be entitled to continued benefits (refer to the section "Continuation of Benefits"). The eligibility worker shall explain to the household qualifying for continued benefits at the current rate that a demand will be made for the value of any coupons determined by the hearing office to have been overissued.

B-4243.2 CHANGES NOT REQUIRING ADVANCE NOTICE OF ADVERSE ACTION

Advance notice of adverse action is not required when:

- A. The Food Assistance Programs Division initiates mass changes, which do not result in benefits being reduced or terminated. Such changes must be publicized in advance. Announcements may be handed out or mailed to affected recipient households.
- B. The Food Stamp office determines, based on reliable information, that all members of a household have died.
- C. The Food Stamp office determines, based on reliable information, that the household has moved from the project area.
- D. The household has been receiving an increased allotment to restore lost benefits, the restoration is complete, and the household was previously notified in writing of when the increased allotment would terminate.
- E. The household's allotment varies from month to month within the certification period to take into account changes which were anticipated at the time of certification, and the household was so notified at the time of certification.
- F. The household applied for public assistance (PA) and food stamps jointly and has been receiving food stamp benefits pending the approval of the PA grant and was notified at the time of certification that food stamp benefits would be reduced upon approval of the PA grant.
- G. The certification office has elected to assign a longer certification period to a household certified on an expedited basis and for whom verification was postponed, as detailed in Section B-4011.61, provided the household has received prior written notice that verification may result in a reduction in benefits.
- H. The Food Stamp office must change the household's benefits back to the original benefit level as required in Section B-4242.3.

- I. As a result of the facility's loss of State or USDA/FNS authorization, the Food Stamp office terminates eligibility of those residents in a drug or alcoholic treatment center or group living arrangement, who are certified with the facility acting as authorized representative.
- J. A household member is disqualified for an intentional program violation/fraud or the benefits of the remaining household members are reduced or terminated to reflect the disqualification of that household member. The noticing requirements for an intentional program violation/fraud are contained in Section B-4425.77, entitled "Administrative Hearing Decision."
- K. Converting a household from cash and/or food stamp repayment for claims to allotment reduction as a result of a failure to make agreed on repayments.
- L. The household was issued the demand letter for a claim and failed to respond. A recoupment is initiated for failure to respond.
- M. A change that is reported at the 6-month mid-point for a household certified for 12 months under the earned income special provisions of Section B-4242.11, Item I.

B-4300 HOUSEHOLDS WITH SPECIAL CIRCUMSTANCES

B-4310 APPLICATION OF ELIGIBILITY CRITERIA

The following manual sections explain the application of food stamp criteria and certification procedures to the eligibility determinations for households with special circumstances. In some instances,, the following examples will note a deviation from the general certification procedures. Such exceptions concern households whose receipt of income or other household circumstances are substantially different from the typical food stamp household. The procedural deviations attempt to "normalize" these household situations in order to minimize any undue advantage or disadvantage to the household solely as a result of their unusual circumstances. The primary exceptions provided in the following are:

- A. Annualizing the income for certain self-employed and school employees instead of considering only that income expected to be received during the period of certification.
- B. Allowing the self-employed and student deductions for certain expenses paid prior to the certification period instead of only those paid during the period of certification.
- C. Certifying residents of shelters for battered women and their children.
- D. Certifying households even though they include certain ineligible individuals. The income and resources of these households are handled differently.
- E. Certifying households with one (1) or more members involved in a strike.
- F. Certifying residents of drug and alcoholic treatment and rehabilitation centers with the center acting as the authorized representative.
- G. Certifying residents of group living facilities.
- H. Treatment of income and resources of disqualified individuals and other non-household members.
- I. Certifying victims of an authorized disaster for food stamp assistance.
- J. Certifying households containing sponsored alien members.
- K. Replacing destroyed coupons to households that request replacement allotments.

B-4311 SELF-EMPLOYMENT

All financial and non-financial eligibility criteria apply to self-employment households. However, the method of ascertaining the self-employment income to be considered for food stamp purposes is often difficult and the guidelines set forth are meant to clarify and aid the process.

Self-employment is defined as a situation where some or all income is received from a self-operated business or enterprise in which the individual retains control over work or services offered, and assumes the necessary business risks and expenses connected with the operation of the business.

Households in which one or more members are engaged in an enterprise for gain either as an independent contractor, franchise holder, or owner-operator must be considered as self-employed, provided that the members are actively engaged in the enterprise on a day-to-day basis. In instances where the members hire or contract for another person or firm to handle the day-to-day activities of such enterprise, the members will have self-employment income but will not be considered as self-employed for purposes of work registration.

The receipt of income from self-employment, which may constitute all or only a portion of the income of the household, does not automatically exempt the members from the work registration requirement. This determination will be made based on the assessment of the certifying worker that the self-employment enterprise requires 30 hours of work per week or averages annually 30 hours per week.

Households whose members' primary source of income is from self-employment may be certified for periods of up to one year; however, consideration should be given to certifying households for shorter periods of time, if circumstances warrant.

B-4311.1 INCOME

The amount of income considered from self-employment in the month of application shall be the gross amount of anticipated income plus capital gains less anticipated costs of doing business. Form FS-3A (self-employment sheet) may be used for easier computation.

In determining gross self-employment income, all income received by the self-employment household must be considered. Income includes monies received from rental or lease of self-employment property as well as monies received from sale of goods, services and property connected to the self-employment enterprise. Income from roomers/boarders is also considered self-employment income. Proceeds of sales from capital goods or equipment are to be treated as income rather than as capital gains.

The term "capital gains", as used by the Internal Revenue Service (IRS), describes the handling of the profit from the sale of capital assets such as typewriters, adding machines, office furniture, vehicles and equipment, etc., used in a self-employment enterprise; or securities, real estate, or other real property held as an investment for a set period of time. For food stamp purposes the total amount received from the sale of capital goods shall be counted as income to the household.

For federal income tax purposes, only 50% of the proceeds from the sale of capital goods is taxed. Therefore, if income tax forms are used to determine household income, the eligibility technician must be aware that the full amount of the capital gains is counted as income.

B-4311.2 SELF-EMPLOYMENT AS PRIMARY ANNUAL SUPPORT

Self-employment income must be averaged over the period for which the income is intended to cover.

When a household receives its annual support from self-employment income, such income is to be averaged over 12 months to determine the household's average monthly income from this source. This policy applies even if the income is received in only a short period of time or the household receives

income from other sources in addition to the self-employment income. For example, self-employment income from farming would be averaged over a 12-month period, if it is intended to support the farmer on an annual basis.

However, if the averaged annualized amount does not accurately reflect the household's actual circumstances because the household has experienced a substantial increase or decrease in business, the worker must calculate the self-employment income on anticipated earnings and not on the basis of prior income (for example, income tax returns).

B-4311.3 SELF-EMPLOYMENT AS PARTIAL SUPPORT

Households may receive income from self-employment which represents only a part of their annual income. Such self-employment income must be averaged over the self-employment months rather than over a 12-month period.

For example, a vendor who is self-employed during the summer and supplements his income from other sources during the rest of the year shall have the self-employment income averaged over the summer months.

B-4311.4 SELF-EMPLOYMENT INCOME RECEIVED MONTHLY

Self-employment income received on a monthly basis and representing a household's annual support normally will be averaged over 12 months. If the monthly average does not accurately reflect the household's actual financial situation because of a substantial increase or decrease in business, the worker must calculate self-employment income based on the household's anticipated earnings.

B-4311.5 SELF-EMPLOYMENT INCOME FROM A NEW SOURCE

Income from a self-employment enterprise that has been in business less than a year is to be averaged over the period of time the business has been in operation and the monthly amount projected for the coming year. However, if the business has been in operation such a short time that there is not enough data for the worker to make a reasonable projection, the household can be certified for less than a year until the business has been in operation long enough to base a long projection.

B-4311.6 DETERMINING MONTHLY INCOME FROM SELF-EMPLOYMENT

To determine average income from self-employment, the worker first must determine the gross amount of income (actual or anticipated), including capital gains, for the period of time over which the self-employment income is being considered.

The allowable costs of producing the self-employment income are excluded and the net income divided by the number of months over which the income is intended to cover. Allowable costs of doing business include, but are not limited to, identifiable costs of labor, stock, raw materials, seed, 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 other similar items that are necessary costs of doing business.

In determining deductible costs of doing business, the following shall not be allowed as a deduction for business costs.

- A. Any amount that exceeds the payment a household receives from a boarder for lodging and meals is not allowable as a cost of doing business.
- B. Any amount claimed as a net loss sustained in any prior period.

C. Federal, state and local income taxes, money set aside for retirement purposes, and other work-related personal expenses (such as meals). These expenses are accounted for by the earned income deduction. However, any taxes paid by the business for employees (such as the business share of social security taxes) are allowed as a business deduction.

D. Depreciation

When self-employment income is calculated on an anticipated basis, any capital gains that the household anticipates receiving in the next 12 months, beginning with the date the application is filed, are added and divided by 12. This amount is used in successive certification periods over the next 12 months unless a change occurs. A new average monthly amount must be calculated over this 12-month period if the anticipated amount of capital gains changes. The anticipated monthly amount of capital gains and the anticipated monthly self-employment income then are added and the anticipated cost of producing the income deducted. The cost is calculated by anticipating the monthly allowable costs of producing the self-employment income.

The monthly net self-employment income will be added to any other earned and unearned income received by the household to determine eligibility of self-employed food stamp applicants.

For those households with self-employment income which is not annualized, the eligibility worker shall anticipate income. Any anticipated proceeds from the sale of capital gains shall be used as income in the month the proceeds are anticipated to be received.

B-4311.61 Computation of Income

Actual income anticipated shall be used to determine the monthly allotment. The total monthly earned income, less the earned income deduction, shall then be added to all monthly unearned income received by the household. The standard deduction dependent care, and shelter costs shall be computed as for any other household and subtracted to determine the monthly net income of the household.

B-4311.62 Computation of Self-Employment Income of A Farmer

If after deducting all allowable business expenses from gross income received from self-employment as a farmer, the costs of producing the income exceeds the income derived, such losses shall be offset against other income received by the household. Steps to take in offsetting the loss shall be as noted below. The net losses shall be prorated over the period intended and the monthly prorated amount deducted from other monthly income.

For purposes of applying this rule, an individual shall be considered a self-employed farmer if he/she receives or expects to receive gross annual income of \$1,000 or more from the farm enterprise. In addition, the following steps shall be taken when determining eligibility and benefits levels of the self-employed farmer.

- A. The monthly prorated loss shall be deducted first from any other "self-employment" income.
- B. Any remaining loss will then be deducted from other earned income into the household. This total shall be the figure from which the earned income deduction shall be calculated.
- C. Finally, any other income shall be added, and this total shall be the amount used to compare the household's gross income to income eligibility standards for the appropriate- sized household.

B-4311.63 Computation - Boarder Income

Persons paying a reasonable amount for room and board shall be excluded from the household when determining the household's eligibility and benefit level. The income of households owning and operating

a commercial boarding house shall be handled as described in Section B-4311.5. For all other households, payments from the boarder shall be treated as self-employment income and the household's eligibility determined as follows:

- A. The income from boarders shall include all direct payments to the household for room and meals, including contributions to the household for shelter expenses. Shelter expenses paid directly by boarders to someone outside of the household shall not be counted as income to the household.
- B. After determining the income received from the boarders, the food stamp office shall exclude that portion of the boarder payment which is the cost of doing business. The cost of doing business shall be equal to either of the following costs provided that the amount allowed as a cost of doing business shall not exceed the payment the household received from the boarder for lodging and meals.
 - 1. The value of the maximum coupon allotment for the household size that is equal to the number of boarders.
 - 2. The actual documented cost of providing room and meals if the actual cost exceeds the appropriate maximum coupon allotment. If actual costs are used, only separate and identifiable costs of providing room and meals to boarders shall be allowed as a cost of doing business.
 - 3. If the boarder income received is from foster care payments, the entire amount of the payment will be disregarded as a cost of doing business.
- C. The monthly net income (after subtracting costs of doing business) from self-employment shall be added to other monthly earned income and the 20 percent earned income deduction shall be applied to the total dollar amount. If the cents in the total are 01 - 49, the total is rounded down to the lower dollar, if the cents are 50 - 99, the total is rounded to the next higher dollar.

Shelter costs the household actually incurs, even if the boarder contributes to the household for part of the household's shelter expenses, shall be computed to determine if the household will receive a shelter deduction. However, the shelter costs shall not include any shelter expenses paid directly by the boarder to a third party, such as to the landlord or the utility company.

B-4312 SCHOOL EMPLOYEES

Households with members who receive income on other than an hourly piece-work basis from employment under a contract which is renewable on an annual basis will have such income averaged over a 12-month period to determine household eligibility. Such members will be considered to be receiving compensation for an entire year, even though predetermined non-work periods are involved or actual compensation is scheduled for payment during work periods only. The provisions of this paragraph are intended to apply primarily to teachers and other school employees.

The renewal process may involve a signing of a new contract each year, be automatically renewable, or, as in cases of school tenure, rehire rights may be implied and thus preclude the use of a written contract altogether. The fact that such a contract is in effect for an entire year does not necessarily mean that the contract will stipulate work every month of the year. Rather, there may be certain predictable non-work periods or vacations, such as the summer break between school years.

B-4312.1 INCOME

Income from such a contract will be considered as compensation for a full year, regardless of the frequency of compensation as stipulated in the terms of the contract, as determined at the convenience of the employer, or as determined at the wish of the employee.

B-4312.2 COMPUTING INCOME

The annual income household members receive from contractual employment described above shall be averaged over a 12-month period to determine the member's average monthly income. To determine household eligibility, all other monthly income from other household members will be added to this average monthly income.

B-4314 SHELTERS FOR BATTERED WOMEN AND CHILDREN

"Shelter for Battered Women and Children" means a public or private nonprofit (with State or Federal tax exempt status) residential facility that serves battered women and their children. The definition will include institutions (such as a YWCA) which provide other services only if a portion of the facility is set aside on a long-term basis to serve only battered women and children. There are no restrictions on how long a center must be in operation or on the number of residents served by the shelter. The food stamp office shall determine a shelter's status using the above definition and document the basis for their determination. This rule applies specifically to centers which provide meals to their residents. Centers which do not provide meals are not to be considered institutions and their residents' eligibility will be determined using the standard rules for eligibility.

B-4314.1 RESIDENTS OF SHELTERS FOR BATTERED WOMEN AND CHILDREN

Women or women with their children who are temporarily residing in a shelter for battered women and children (which serves over 50% of their meals) shall be considered exempt from the prohibition against residents of institutions.

- A. They shall be allowed to apply and be considered for eligibility as individual (parent/child) units, rather than considered as part of a household consisting of all shelter residents.
- B. Since leaving a shelter may pose a hazard to many of these women and children, the food stamp office shall make provisions to interview these persons over the telephone, if the client feels it is necessary.
- C. If entitled to expedited service, applications from residents of shelters for battered women and children shall be eligible for 2 day processing and the expedited provisions for the issuance of coupons will be followed.
- D. In many instances battered women and their children who were previously certified in the household of an abuser may not have access to their coupon allotment. Therefore, these households shall be allowed to participate in more than one project area and/or more than once a month so long as they were previously certified in the household containing the individual who abused them. These persons may receive an additional allotment only once in a month.
- E. The food stamp office should act promptly to reflect the changes in household composition and shall act on the change to reduce or terminate benefits to the applicant's former household as appropriate in accordance with B-4242.2.

B-4314.2 RESOURCES

Residents of shelters for battered women and children may not retain access to all the resources of their former household. Therefore, in cases where access to a resource such as jointly held bank accounts requiring both signatures, vehicles and property, is dependent upon the agreement of a person who still resides in the household where the woman was abused, the resource shall be considered inaccessible to the applicant.

B-4314.3 COUPON REDEMPTION

Since many shelters for battered women and children are small operations they may not be authorized by FNS to purchase from wholesalers, therefore clients shall be advised to designate the shelter operator as an authorized representative. In addition, clients shall be given the option of receiving their entire allotment in \$1 coupons since the shelters will not be able to redeem loose \$5 and \$10 coupons. Shelters which wish to be authorized as retailers should contact the state office.

B-4315 INELIGIBLE ALIENS

The ineligibility of certain aliens from program benefits will not prohibit the remaining household members from applying for and receiving food stamps. Ineligible aliens living in an applicant household shall not be considered household members for food stamp purposes.

B-4315.1 APPLICATION

When the eligible members of a household are all unemancipated minors and the only adult is an ineligible alien, the ineligible alien may make application on behalf of the eligible minors. However, if there is any other eligible adult or emancipated minor in the household, even though they would not normally be considered the household head, that eligible person should make application as the head of household.

B-4315.2 TREATMENT OF INCOME AND RESOURCES OF INELIGIBLE ALIENS

The income and resources of the ineligible alien shall be treated in the same manner as a disqualified individual set forth in the section on Treatment of Income and Resources of Disqualified Members, and shall be considered available in determining the eligibility of remaining members.

B-4316 STRIKERS

Households containing a striking member shall not be eligible for food stamps unless the household was eligible for the program the day before the strike and are otherwise eligible at time of the strike. Households where the striking member was exempt from work registration the day before the strike shall not be subject to these provisions and shall be certified if otherwise eligible, unless the exemption was based on the employment.

B-4316.1 INCOME

Pre-strike eligibility is determined by considering the day prior to the strike as the day of application and assuming the strike was not occurring. Eligibility at the time of application shall be determined by comparing the striking member's income as of the day before the strike to the striking member's current income and adding the higher of the two to the current income of the non-striking household members during the month of application. The higher income will be used in determining benefits.

B-4316.2 DEFINITION OF STRIKER

For food stamp purposes a striker is anyone involved in a strike or other concerted stoppage of work by employees (including a stoppage by reason of the expiration of a collective bargaining agreement) and any concerted slowdown or other concerted interruption of operations by employees. Individuals will be deemed participants in a strike whether or not they personally voted for the strike.

B-4316.3 ELIGIBLE NON-STRIKERS

Examples of persons who may be eligible to participate in the program include: (1) employees whose work place is closed by an employer (i.e. lockout), (2) employees unable to work as a result of other striking employees (e.g. a paper strike closes operations at a printing company, therefore, pressmen are out of work), (3) employees not wanting to cross a picket line due to fear of personal injury or death (this does not include persons sympathetic to the strike who refuse to cross the picket line), (4) persons who

were exempt from work registration the day before the strike such as the caretaker of a child under six (6) years of age (other than those exempt solely on the ground that they were employed).

B-4316.4 WORK REGISTRATION

Strikers who were eligible the day prior to the strike are required to meet all normal work registration requirements, unless they were exempt from work registration the day of application. Like other registrants, they are also exempt from being referred to work at the strike site.

B-4317 DRUG OR ALCOHOL TREATMENT OR REHABILITATION CENTERS

Residents of publicly operated community mental health centers or private non-profit organizations or institutions, operating a residential drug or alcohol treatment or rehabilitation program, are eligible to participate in the food stamp program.

The drug or alcohol treatment or rehabilitation center must be approved by the Colorado Department of Health, Alcohol and Drug Abuse Division before its residents are eligible for food stamp participation. The Department of Health will assure that the center is providing treatment that can lead to the rehabilitation of drug or alcohol addiction.

Before the certification of residents can be accomplished, the food stamp office must verify that the center has been approved by FNS, as a retailer, is certified by the Department of Health and such proof may be provided in the form of a license or an approval letter issued to the center by that agency, or is funded under Part B of Title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.).

Children of the residents in a drug and alcohol treatment center who live with their parents in the treatment center will qualify for food stamps. Meals served to the children are eligible for purchase with food stamps.

B-4317.1 APPLICATION PROCESS

Residents and their children residing in an approved drug or alcohol treatment and rehabilitation center must voluntarily elect to participate in the Food Stamp Program. Residents shall have their eligibility determined as one-person households unless children are residing with them at the center. The food stamp office shall certify residents of drug/alcohol treatment centers by using the same provisions that apply to other applicant households. However, those who wish to participate shall complete the required application process, be issued coupons and use coupons through an authorized representative who is an employee of the publicly operated community mental health center, or private non-profit organization or institution conducting the drug or alcohol treatment and/or rehabilitation center program, acting on behalf of its residents. The applicant household shall sign the application along with the designated authorized representative prior to certification.

B-4317.2 HOUSEHOLD INCOME AND RESOURCES

Residents may be receiving PA or SSI benefits, or may be destitute of income and resources and eligible for expedited service. Residents who qualify for expedited service shall have their coupons mailed or have them available to be picked up no later than seven calendar days following the date the application was filed.

B-4317.3 RESPONSIBILITIES OF THE CENTER

Drug or alcohol treatment and rehabilitation centers will be responsible for the following:

- A. Each treatment and rehabilitation center shall provide the certification office with a certified list of currently participating residents and their children residing with them in the center. The

certification office shall require the list on a monthly or semimonthly basis. In addition, the certification office shall conduct periodic, random, onsite visits to the center to assure the accuracy of the listings and that the food stamp office's records are consistent and up to date. The frequency of periodic visits is left to the discretion of the food stamp office but once each year is recommended.

- B. The treatment center shall notify the certification office of household changes in the source of income or amount of gross monthly income of more than \$25, acquisition of nonexempt vehicle, additional liquid resources which make resource value of at least \$2,000 and report when the resident leaves the treatment center. The treatment center shall return to the issuing office any household's coupons received after the household has left the center.
- C. The treatment center shall provide the residents with their ID card when the household leaves the treatment and rehabilitation program. Once the household leaves the treatment center the center is no longer allowed to act as that household's authorized representative. The departing resident shall receive his/her full allotment if already issued and if no coupons have been spent on his/her behalf. If coupons have been issued and any portion spent in his/her behalf and the resident leaves prior to the 16th of the month, the center shall provide the resident with one half of his/her monthly allotment; on or after the 16th, and coupons have already been used, the resident shall not receive any coupons. The center shall, if possible, provide the household with a change report form FS-6 to report to the food stamp office the individual's new address and other circumstances after leaving the center, and shall advise the household to return the form to the appropriate office within 10 days.
- D. The organization or institution shall be responsible for any misrepresentation or fraud which it knowingly commits in the certification of center residents. As an authorized representative, the organization or institution must be knowledgeable about household circumstances and should carefully review those circumstances with residents prior to applying on their behalf. The organization or institution shall be strictly liable for all losses or misuse of food coupons held on behalf of resident households and for all overissuances which occur while the households are residents of the treatment center.
- E. The organization or institution may be penalized or disqualified if it is determined administratively or judicially that coupons were misappropriated or used for purchases that did not contribute to a certified household's meals. The certification office shall promptly notify the State Food Assistance Office when it has reason to believe that an organization or institution is misusing coupons in its possession. However, no action shall be taken against the organization or institution prior to an FNS investigation. The certification office shall establish a claim for overissuance of food coupons held on behalf of resident clients if any overissuances are discovered as a result of an FNS investigation or hearing. IF FNS disqualifies an organization or institution as an authorized treatment center, the certification office shall suspend its authorized representative status for the same period.

B-4317.4 CERTIFICATION PERIODS

Although there is no way to predict or anticipate how long a resident may choose to participate in the treatment center's rehabilitation program, experience has shown that those who remain in the center for two weeks after induction usually remain for an extended period of time. In most instances, the eligibility worker should reasonably assign a certification period of six months to resident households. Food stamp eligibility of residents participating as PA households may be reviewed at the same time eligibility for public assistance is reviewed.

B-4317.5 WORK REGISTRATION

Any resident or non-resident participant in a drug or alcohol center's treatment and rehabilitation program is exempt from the work registration requirement. This exemption is not meant to discourage participants

in such program from seeking and accepting employment on their own.

B-4317.6 INDIVIDUALS PARTICIPATING AS NON-RESIDENTS

Any member of an eligible household who regularly participates in a drug or alcohol treatment and rehabilitation program on a non-resident basis may use all or any part of his coupons to purchase food prepared for or served to him during the course of such program provided the program has been authorized by FNS for such purposes.

The applicant household containing such a member must qualify as a household, complete the application process through head of household or through an authorized representative, and must meet all financial and nonfinancial criteria unless specifically exempt as required by manual regulations.

B-4318 RESIDENTS OF GROUP LIVING ARRANGEMENTS

Group living arrangements are residential settings which are considered alternatives to institutional living. Institutional settings are not included in this provision. To be eligible as residents of a group living arrangement, the person must be blind or disabled as defined in Section B-4214.1, Item C ("Exemptions from the Boarding House and Institution Prohibitions"). In addition, the food stamp office shall verify that the group living arrangement is a public or private nonprofit facility with no more than sixteen residents, and is certified as a group living arrangement by the Department of Public Health and Environment and the Department of Human Services under Section 1616(e) of the Social Security Act. FNS may also certify under standards determined by the USDA that are comparable to standards implemented the state under 1616(e) of the Social Security Act.

B-4318.1 APPLICATION PROCESS

Residents of group living arrangements may elect to participate in the food stamp program. Residents shall either apply and be certified through an authorized representative, who is employed and designated by the group living arrangement, or apply and be certified on their own behalf or through an authorized representative of their own choice. The group living arrangement shall determine if any resident may apply for food stamps on his/her own behalf; the determination should be based on the resident's physical and mental ability to handle his/her own affairs.

If residents apply through the use of the facility's authorized representative, their eligibility shall be determined as one-person households. The group living arrangement may either receive and spend the coupon allotment for food prepared by and/or served to the eligible resident or allow the eligible resident to use all or any portion of the allotment on his/her own behalf.

If the residents apply on their own behalf, the applications shall be accepted for any individual applying as one-person household or for any grouping of residents applying as a household. If the residents are certified on their own behalf, the coupon allotment may either be returned to the facility to be used to purchase food for meals served either communally or individually to eligible residents; used by eligible residents to purchase and prepare food for their own consumption; and/or to purchase meals prepared and served by the group living arrangement.

B-4318.2 EXPEDITED SERVICE

Applications for residents of group living arrangements shall be processed using the same standards that apply to all other food stamp households including that residents entitled to expedited service shall have coupons mailed or available for pick-up no later than seven calendar days following the date the application was filed. Required verification shall be obtained prior to issuance of a second coupon allotment.

When normal processing standards apply, the food stamp office shall complete the verification and

documentation requirements prior to making an eligibility determination for the initial application.

The food stamp office shall process changes in household circumstances and recertifications by using the same standards that apply to all other food stamp households; and resident households shall be afforded the same rights to notices of adverse action, to fair hearings, and to entitlement to lost benefits as are all other food stamp households.

B-4318.3 RESPONSIBILITIES OF THE GROUP LIVING ARRANGEMENT

- A. Each group living arrangement shall provide the food stamp office with a list of currently participating residents. The food stamp office shall require the list on either a monthly or semimonthly basis and the list shall be signed by a responsible center official attesting to the validity of the list. In addition, the food stamp office shall conduct periodic, random, onsite visits to assure the accuracy of the list and that the food stamp office's records are consistent and up to date.
- B. If the resident has made application on his/her own behalf, the household is responsible for reporting changes to the food stamp office in accordance with B-4242.1. If the group living arrangement is acting in the capacity of an authorized representative, the group living arrangement shall notify the food stamp office of changes in the household's income or other household circumstances and when the individual leaves the group living arrangement. The group living arrangement shall return any household's coupons to the food stamp office if they are received after the household has left the group living arrangement.
- B. When the household leaves the facility, the group living arrangement, either acting as an authorized representative or retaining use of the coupons on behalf of the residents (regardless of the method of application), shall provide residents with their ID card (if applicable) and any untransacted ATP cards: the household, not the group living arrangement, shall be allowed to receive his/her authorized issuance. Also, the departing household shall receive its full allotment if issued by direct mail and if no coupons have been spent on behalf of that individual household. These procedures are applicable any time during the month.

However, if the coupons have already been issued and any portion spent on behalf of the individual, and the household leaves the group living arrangement prior to the 16th day of the month, the facility shall provide the household with its ID card and one-half of its monthly coupon allotment. If the household leaves after the 16th of the month and the coupons have already been issued and used, the household does not receive any coupons.

If a group of residents has been certified as one household and has returned the coupons to the facility to use, the departing residents shall be given a prorata share of one-half of the household's monthly coupon allotment if leaving prior to the 16th day of the month. Once the resident leaves, the group living arrangement no longer acts as his/her authorized representative.

The group living arrangement shall, if possible, provide the household with a change report form to report to the food stamp office the individual's new address and other circumstances after leaving the group living arrangement and shall advise the household to return the form to the appropriate food stamp office within 10 days.

If a resident or a group of residents apply on their own behalf, and if they retain use of their own coupons, these individuals are entitled to keep the coupons when they leave. If a group of residents have applied as one household, a prorata share of the remaining coupons shall be provided to any departing household member. The group living arrangement shall, if possible, provide the household with a change report form to report to the food stamp office the individual's new address and other circumstances after leaving the group living arrangement and shall advise the household to return the form to the appropriate food stamp office within 10 days. However, the household is responsible for reporting the changes in household circumstances.

- C. The group living arrangement shall return to the food stamp office. any coupons not provided to departing residents at the end of each month. These returned coupons shall include those not provided to departing residents because they left on or after the 16th of the month or they left prior to the 16th and the facility was unable to provide them with the coupons.
- D. When acting as the authorized representative, the group living arrangements shall be responsible for any misrepresentation or fraud which it knowingly commits in the certification of center residents. As an authorized representative, the facility must be knowledgeable about household circumstances and should carefully review those circumstances with residents prior to applying on their behalf. The facility shall be strictly liable for all losses or misuse of food coupons held on behalf of resident households and for all overissuances which occur while the households are residents of the treatment center. However, the resident applying on his/her own behalf shall be responsible for overissuance as would any other household.
- E. The group living arrangement may purchase and prepare food to be consumed by eligible residents on a group basis if residents normally obtain their meals at a central location as part of the group living arrangement services or if meals are prepared at a central location for delivery to the individual residents. If residents purchase and/or prepare food for home consumption, as opposed to communal dining, the group living arrangement shall ensure that each resident's food stamps are used for meals intended for that resident. If the resident retains use of his/her own coupon allotment, he/she may either use the coupons to purchase meals prepared for them by the facility or to purchase food to prepare meals for their own consumption.

B-4318.4 DISQUALIFICATION

The facility authorized by FNS may be penalized or disqualified if it is determined administratively or judicially that coupons were misappropriated or used for purchases that did not contribute to a certified household's meals. The food stamp office shall promptly notify the State Food Assistance Division when it has reason to believe that a facility is misusing coupons in its possession. However, the food stamp office shall take no action prior to FNS action against the facility. The food stamp office shall establish a claim for overissuances of food coupons held on behalf of resident clients if any overissuances are discovered during an investigation or hearing procedure for redemption violations.

If the facility loses its authorization from FNS to accept and redeem coupons, or is no longer certified by the Department of Public Health and Environment as a group living arrangement, its residents are no longer eligible to participate. The residents are not entitled to a notice of adverse action but shall receive a written notice explaining the termination and when it shall become effective.

If the group living arrangement loses certification from the Department of Public Health and Environment, its status as an authorized representative will automatically be suspended by FNS; residents applying on their own behalf shall still be able to participate, if otherwise eligible.

B-4319 TREATMENT OF INCOME AND RESOURCES OF DISQUALIFIED AND/OR SANCTIONED MEMBER(S) AND OTHER NON-HOUSEHOLD MEMBERS

B-4319.1 TREATMENT OF INCOME AND RESOURCES OF DISQUALIFIED AND/OR SANCTIONED MEMBER(S)

- A. Individual household members may be disqualified for being ineligible aliens, for failure or refusal to obtain or provide a social security number (SSN), for intentional program violation/fraud, for being a fleeing felon, for failing to comply with a work requirement, or for being a sanctioned ABAWD (Able Bodied Adult Without Dependents) who has received 3 months of Food Stamp benefits within a 36 month period.
- B. During the period of time a household member is disqualified, the eligibility and benefit level of any

remaining members shall be determined as follows:

1. Households containing members disqualified for intentional program violation or fraud, or a work requirement sanction, or classified as a fleeing felon:
 - a. "Income, Resources, and Deductible Expenses" : The income and resources of the disqualified household member(s) shall be counted in their entirety. The allowable earned income, standard, medical, dependent care, and shelter deductions shall be allowed in their entirety.
 - b. "Eligibility and Benefit Level" : The disqualified member shall not be included when determining the household's size for purposes of assigning a benefit level to the household. The disqualified household member will not be included when determining the household size for comparison against any eligibility standard, which includes the gross income (Section B-4220.12), the net income eligibility limits (Section B-4220.11) or the resource eligibility limits (Section B-4224).
2. Households containing members disqualified for being an ineligible alien, for failure or refusal to obtain or provide a social security number (SSN), or sanctioned as an able bodied adult without dependents (ABAWD) who has received 3 months of Food Stamp benefits in a 36 month period:
 - a. "Resources" - The resources of the disqualified and/or sanctioned member(s) shall be counted in their entirety to the remaining household members.
 - b. "Income" - A pro rata share of the nonexempt income of the disqualified and/or sanctioned member(s) shall be counted as income to the remaining members. This pro rata share is calculated by dividing the income evenly among the household members, including, the disqualified member. All but the disqualified member's share is counted as income to the remaining household members.
 - c. "Deductible Expenses" - The earned income deduction shall apply to the prorated income earned by the disqualified and/or sanctioned member which is attributed to the household. That portion of the household's allowable shelter and dependent care expenses which are either paid by or billed to the disqualified member shall be divided evenly among the household members, including the disqualified member. Legally obligated child support payments are deducted before prorating income. The shelter expense will be prorated except for the standard utility allowance (SUA). The full SUA will be added to the other prorated shelter components if the household qualifies for the SUA. Actual utilities will be prorated if the household requests consideration of its actual utility expense. All but the disqualified member's share is counted as a deductible expense for the remaining household members.
 - d. "Eligibility and Benefit Level" - The disqualified and/or sanctioned member shall not be included when determining the household's size for purposes of assigning a benefit level to the household. The disqualified or sanctioned household member will not be included when determining the household size for comparison against any eligibility standard, which includes the gross income (Section B-4220.12), the net income eligibility limits (Section B-4220.11) or the resource eligibility limits (Section B-4224).

B-4319.11 Reduction or Termination of Benefits within the Certification Period

Whenever an individual is disqualified within the household's certification period, the food stamp

certification office shall determine the eligibility or ineligibility of the remaining household members based on information contained in the case file. If information in the case file is insufficient, additional information shall be obtained as needed.

- A. "Disqualification for Intentional Program Violation/Fraud" - If a household's benefits are reduced or terminated within the certification period because one or more of its members was disqualified for intentional program violation/fraud, the food stamp office shall notify the remaining members of their eligibility and benefit level at the same time the disqualified member(s) is notified of his or her disqualification.
- B. "Disqualification for Being an Ineligible Alien, Noncompliance with Work Requirement, or for Failure or Refusal to Obtain or Provide a Social Security Number (SSN)" - If a household's benefits are reduced or terminated within the certification period because one or more of its members is disqualified for being an ineligible alien, noncompliance with a work requirement, or for failure or refusal to obtain or provide a social security number, the food stamp office shall send a notice of adverse action which informs the household of the disqualification, the reason for the disqualification, the eligibility and benefit level of the remaining members, and the actions the disqualified member must take to end the disqualification.

B-4319.2 TREATMENT OF INCOME AND RESOURCES OF OTHER NON-HOUSEHOLD MEMBERS

- A. For those non-household members that have not been disqualified, such as live-in attendants, the income and resources of the non-household member shall not be considered available to the household. Cash payments from the non-household member to the household will be considered as income to the household. Vendor payments, as defined in the section on in Kind Benefits and Vendor Payments, shall be excluded as income. Except for the mandatory telephone allowance, if the household shares deductible expenses with the non-household member, only the amount actually paid or contributed by the household shall be deducted as a household expense. If the payments or contributions cannot be differentiated, the expenses shall be prorated evenly among persons actually paying or contributing to the expenses and only the household's prorata share deducted.
- B. 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 shall be determined as follows:
 - 1. If the household's share can be identified, the food stamp certification office shall count that portion due to the household as earned income.
 - 2. If the household's share cannot be identified the food stamp certification office shall prorate the earned income among all those whom it was intended to cover and count that prorated portion to the household.
- C. A person who is an ineligible student for food stamp purposes shall be treated as a non-household member. The other members of a household containing the ineligible student may be certified. The income and resources of the ineligible student shall not be considered available to the other household members for determining the household's income resources and deductions nor shall the student be considered in determining the household's coupon allotment.

B-4320 EMERGENCY FOOD STAMP ASSISTANCE TO DISASTER VICTIMS (including instruction regarding the use of USDA donated foods)

B-4320.1 DEFINITIONS OF DISASTERS - Disasters, under federal law, are of two types: "major disasters" and "temporary emergencies."

A “major disaster” is any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, earthquake, drought, fire or other catastrophe which is determined to be a major disaster by the President pursuant to the Disaster Relief Act of 1974, Section 302 (a). (Emphasis added) A similar definition is provided under State law in 28-2-103, C.R.S., as amended.

In such Presidentially-declared disasters, emergency food stamp allotments can be authorized by the Food and Nutrition Service (FNS), USDA. In Colorado, the Governor can accept such federal assistance on behalf of the State if he determines and declares a major disaster, 3-17-1, et seq., C.R.S., as amended. When authorized by the Governor and FNS, the Department of Human Services may authorize those counties, within which all or part of the disaster area lies, to distribute emergency food stamp allotments in those areas.

A “temporary emergency” means an emergency caused by any disaster, resulting from either natural or human causes, other than a major disaster as declared by the President under the Disaster Relief Act of 1974, Section 302(a), which is determined by FNS to have disrupted commercial channels of food distribution.

B-4320.2 GENERAL INFORMATION

The State Department shall establish temporary emergency standards of eligibility for the duration of a properly declared disaster which shall be proposed for approval of an emergency session of the State Board of Human Services. The State shall provide special certification material and forms designed for certification of disaster victims. Certification shall be done for households that are victims of a disaster which disrupts commercial channels of food distribution, if such households are in need of temporary food assistance and if commercial channels of food distribution have again become available to meet the temporary food needs of those households.

B-4321 HOUSEHOLDS CONTAINING SPONSORED ALIEN MEMBERS

The provisions of this section apply only to those aliens for whom a sponsor has executed an affidavit of support (INS Form I-864 or I-864A) on behalf of the alien pursuant to Section 213A of the Immigration and Nationality Act (INA).

B-4321.1 QUALIFIED ALIENS

Qualified alien must meet requirements defined in Section B-4212.3 and the alien must be qualified as listed below at the time the alien applies for, receives, or attempts to receive a federal public benefit.

- A. Lawfully admitted for permanent residence under the Immigration and Nationality Act (INA); or,
- B. Granted asylum under Section 208 of the INA; or,
- C. Paroled into the United States under Section 212(d)(5) of the INA for at least one year; or,
- D. Granted conditional entry pursuant to Section 203(a)(7) of the INA as in effect before April 1, 1980; or,
- E. An alien whose deportation is being withheld under Section 243(h) of the INA as in effect prior to April 1, 1997 or whose removal is withheld under Section 241(b)(3) of the INA; or,
- F. A refugee who is admitted to the United States under Section 207 of the INA; or,
- G. An alien who has been battered or subjected to extreme cruelty in the U.S. by a spouse or a parent or by a member of the spouse or parent's family while previously residing in the same household as the alien, an alien whose child has been battered or subjected to battery or cruelty; or an alien child whose parent has been battered. To establish eligibility, the food stamp office must

determine that the alien has satisfied three requirements: (1) battery or extreme cruelty; (2) substantial connection between the abuse and the need for benefits; and, (3) non-residence with the abuser. Spouses and children who have applied for or have been granted protection under the Violence Against Women Act will meet these requirements.

H. Cuban/Haitian entrants under Section 501(e) of INA; or,

I. Retroactive to August 22, 1996, Amerasians under Section 584 of INA.

A qualified alien must also be a lawful alien as defined in the Section entitled "Lawful Alien Status"

J. Victims of trafficking certified by the Office of Refugee Resettlement (ORR) of the United States Department of Health and Human Services. This person must have a "certification letter" ; this letter expires eight (8) months after it is issued (refer to Section B-4242.3).

B-4321.2 DEFINITION OF "SPONSORED ALIEN" AND "SPONSOR"

A. Sponsored aliens are those aliens lawfully admitted for permanent residence into the United States as described in the section entitled "Citizenship and Alien Status" , who have been sponsored by an individual for entry into the country. A child of a battered parent is exempt from the provision of sponsorship.

B. A sponsor is a person who executed an affidavit(s) of support (INS Form I-864 or I-864A) or similar agreement on behalf of an alien as a condition of the alien's entry or admission to the United States as a permanent resident. Date of entry or admission means the date established by the Immigration and Naturalization Service (INS) as the date the sponsored alien was admitted for permanent residence.

B-4321.3 CONSIDERATION OF SPONSOR'S INCOME AND RESOURCES TOWARD THE SPONSORED ALIEN

The counting of income and resource provisions do not apply to an alien who is:

A. A member of his or her sponsor's food stamp household;

B. Sponsored by an organization or group as opposed to an individual;

C. Not required to have a sponsor under the Immigration and Nationality Act (INA), such as a refugee, a parolee, an asylee, or a Cuban or Haitian entrant;

D. An alien who is considered as an "indigent" alien. An indigent alien is an alien who has been determined to be unable to obtain food and shelter which totals to an amount exceeding 130% of the poverty level. An alien that the food stamp office has determined as not receiving in-kind benefits that exceed gross income level for the household size. The alien's own income plus any cash, food, housing, or other assistance provided by other individual's, including the sponsor will be counted in making this determination. For purposes of this provision, the sum of the eligible sponsored alien's household's own income, the cash contributions of the sponsor and others, and the value of any in-kind assistance from the sponsor and others, shall not exceed 130 percent of the poverty income guideline for the household's size. The food stamp office must determine the amount of income and other assistance provided in the month of application. If the alien is below the 130% poverty level, the only amount that the food stamp office must consider to such an alien will be the amount actually provided by the sponsor for a period beginning on the date of such determination and ending 12 months after such date. Each determination is renewable for additional 12-month period. The food stamp office must notify the u.s. attorney general of each

such determination including the names of the sponsor and the sponsored alien involved.

- E. A battered alien spouse, alien parent of a battered child, or child of a battered alien will not have sponsor's income and resources counted during a 12 month period after the food stamp office determines that the battering is substantially connected to the need for benefits, and the battered individual does not live with the batterer. After 12 months, the food stamp office must not deem the batterer's income and resources if the battery is recognized by a court or the INS and has a substantial connection to the need for benefits, and the alien does not live with the batterer.
- F. Only when a sponsored alien is an eligible alien will the food stamp office consider the income and resources of the sponsor and sponsor's spouse available to the household. For purposes of determining eligibility and benefit level of a household of which an eligible sponsored alien is a member, the food stamp office must deem the income and resources of the sponsor and the sponsor's spouse, if he or she executed INS Form I-864 or I-864A, as the unearned income and resources of the sponsored alien.

The total gross income and resources of a sponsor and sponsor's spouse shall be considered as unearned income and resources of a sponsored alien for a period until the alien's citizenship is obtained or until the alien has worked or can receive credit for 40 quarters under Title II of the Social Security Act, or the sponsor dies. The spouse's income and resources shall be counted even if the sponsor and spouse were married after the signing of the agreement.

The monthly income of the sponsor and the sponsor's spouse to be considered toward the alien shall be the total monthly earned and unearned income of the sponsor and spouse at the time the household containing the sponsored alien member applies for or is recertified for program participation and shall be calculated as follows:

- Reduced by an amount equal to 20 percent of the earned income of the sponsor and the sponsor's spouse;
- An amount equal to the food stamp program's monthly gross income eligibility limit for a household equal in size to the sponsor, the sponsor's spouse, and any other person who is claimed or could be claimed by the sponsor or the sponsor's spouse as a dependent for federal income tax purposes;
- If a sponsored alien can demonstrate to the food stamp office's satisfaction that his or her sponsor is the sponsor of other aliens, the food stamp office shall divide the deemed income and resources of the sponsor and the sponsor's spouse by the number of such sponsored aliens.

If the sponsored alien has already reported gross income information on his/her sponsor in compliance with the sponsored alien rules of another state assistance program, and the food stamp office is aware of the amounts that income amount shall be used for food stamp deeming purposes. However, the food stamp office shall limit allowable reductions to the total gross income of the sponsor and the sponsor's spouse prior to attributing an income amount to the alien. The only reduction will be 20% earned income amount for that portion of the income determined as earned income of the sponsor and the sponsor's spouse and an amount equal to the food stamp program's monthly gross income eligibility limit for a household equal in size to the sponsor, the sponsor's spouse, and any other person who is claimed or could be claimed by the sponsor or the sponsor's spouse as a dependent for federal income tax purposes.

Actual money paid to the alien by the sponsor or the sponsor's spouse shall not be considered as income to the alien unless the amount paid exceeds the amount already considered as income as above. Only the portion that actually exceeds the income already considered shall be added to that income.

If the alien changes sponsors during the certification period, a change shall be processed to consider the

new sponsor's income and resources toward the alien as soon as possible after the information is verified. The previous sponsor's income and resources shall be used until such determination; however, should any present sponsor become deceased, that sponsor's income and resources shall not be attributed to the alien.

Total resources of the sponsor and the sponsor's spouse shall be considered as resources to the alien reduced by \$1,500.

B-4321.4 SPONSORED ALIEN'S RESPONSIBILITY

During the period the sponsored alien is subject to deeming, the eligible sponsored alien shall be responsible for obtaining the cooperation of his/her sponsor, for providing the food stamp office, at the time of application and/or recertification, the information and/or documentation necessary to calculate income and resources attributable to the alien's household. The eligible sponsored alien shall be responsible for providing the names (or other identifying factors) of other aliens for whom the alien's sponsor has signed an agreement to support. The food stamp office must attribute the entire amount of income and resources to the applicant eligible sponsored alien until he or she provides the information required.

The food stamp office will determine how many of such aliens are food stamp program applicants or participants and initiate appropriate proration. The eligible sponsored alien shall also be responsible for reporting the required information about the sponsor and sponsor's spouse should the alien obtain a different sponsor during the certification period. The eligible sponsored alien shall report changes in income should the sponsor or sponsor's spouse change or lose employment or become deceased during the certification period. The food stamp office must act on the information as a reported change in household circumstances as set forth in the Section B-4242.2, "Action on Reported Changes" .

B-4321.5 VERIFICATION OF ALIEN'S SPONSORSHIP

The food stamp office shall verify the following information at the time of initial application and recertification:

- A. The income and resources of the alien's sponsor and the sponsor's spouse (if living with the sponsor) at the time of the alien's application for food stamp assistance.
- B. The names (and alien registration numbers) of other aliens for whom the sponsor has signed an affidavit of support or similar agreement.
- C. The provision of the Immigration and Nationality Act under which the alien was admitted.
- D. The date of the alien's entry or admission as a lawful permanent resident as established by INS.
- E. The alien's date of birth, place of birth, and alien registration number.
- F. The number of dependents who are claimed or who could be claimed for federal income tax purposes of the sponsor and the sponsor's spouse.
- G. The name, address and phone number of the alien's sponsor.

Any other information that is determined to be questionable and which affects household eligibility and benefit level shall be verified in accordance with the section entitled "Verification and Documentation" .

B-4321.51 Awaiting Verification

Until the alien provides information or verification necessary to determine eligibility, the sponsored alien

shall be ineligible. When such verification is provided, the food stamp office shall act on the information as a reported change in household circumstances.

The eligibility of any remaining household members shall be determined. The income and resources of the ineligible alien (excluding the attributed income and resources of the alien's sponsor and sponsor's spouse) shall be treated in the same manner as a disqualified member as set forth in the section entitled "Treatment of Income and Resources of Disqualified Members" and considered available in determining the eligibility and benefit level of the remaining household members. If the sponsored alien refuses to cooperate in providing and/or verifying needed information, other adult members of the alien's household shall be responsible for providing and/or verifying the information. If the information or verification is subsequently received, the food stamp office shall act on the information as a reported change. If the same sponsor is responsible for the entire household, the entire household is ineligible until such time as the needed information is provided and/or verified. The food stamp office must assist the alien in obtaining verification provided the household is cooperating with the food stamp office.

B-4321.6 OVERISSUANCES DUE TO INCORRECT SPONSOR INFORMATION

Both the sponsor of an alien and the alien shall be held jointly liable for repayment of any overissuance of coupons as a result of incorrect information provided by the sponsor. However, if the alien's sponsor had good cause or was without fault for supplying the incorrect information, the alien's household shall be solely liable for repayment of the overissuance. Good cause shall consist of anything that is beyond the sponsor's control such as unreported earnings received by the alien.

If the sponsor did not have good cause for reporting incorrect information the food stamp office shall decide whether to establish a claim for the overissuance against the sponsor or the alien household, or both. The food stamp office may choose to establish claims against both parties at the same time or may choose to establish a claim against the party it deems most likely to repay the claim first. If a claim is established against the alien's sponsor first and the sponsor fails to respond to the food stamp office's demand letter written 30 days of receipt, a claim shall then be established against the alien household. Any amounts repaid in excess of the total amount of the claim shall be returned to the sponsor and/or the alien household.

B-4321.61 Collecting Claims Against Sponsors

Food stamp offices shall initiate collection action by sending the alien's sponsor a written demand letter which informs the sponsor of the amount owed, the reason for the claim, and how the sponsor may pay the claim. The sponsor shall also be informed that he/she will not be held responsible for repayment of the claim if it can be demonstrated that he/she had good cause or was without fault for the incorrect information having been supplied to the food stamp office. In addition, the food stamp office shall follow up the written demand letter with personal contact if possible. The sponsor is entitled to a fair hearing on the facts or amount of the claim.

Food stamp office may pursue other collection actions, as appropriate, to obtain payment of a claim against any sponsor which fails to respond to a written demand letter. Collection action may be terminated against a sponsor at any time if it has documentation that the sponsor cannot be located or when the cost of further collection is likely to exceed the amount that can be recovered.

If the alien's sponsor responds to the written demand letter and is financially able to pay the claim shall be collected as a lump sum cash payment. A payment schedule may be established with the sponsor for repayment of the claim as long as payments are provided in regular installments. Payments shall be submitted to the State Department in accordance with the procedures specified in "Submission of Payments" section of the manual.

B-4321.62 Collecting Claims Against Alien Households

Prior to initiating collection action against the household of a sponsored alien for repaying of an overissuance caused by incorrect information having been supplied concerning the alien's sponsor or sponsor's spouse, the food stamp office shall determine whether such incorrect information was supplied due to inadvertent error, or intentional program violation/fraud on the part of the alien. If sufficient documentary evidence exists to substantiate that the incorrect information concerning the alien's sponsor or sponsor's spouse was provided due to intentional program violation/fraud on the part of the alien, the food stamp office shall pursue the case in accordance with intentional program violation/fraud claim procedures. The claim against the alien's household shall be handled as an inadvertent household error claim prior to the determination of intentional program violation/fraud by an administrative hearing official or a court of appropriate jurisdiction. If the food stamp office determines that the incorrect information was supplied due to misunderstanding or unintended error on the part of the sponsored alien, the claim shall be handled as an inadvertent household error claim. These actions shall be taken regardless of the current eligibility of the sponsored alien or the alien's household.

B-4322 HOUSEHOLDS WITH A DECREASE IN INCOME DUE TO FAILURE TO COMPLY

Food stamp offices shall ensure that there is no increase in food stamp benefits to households as the result of penalty being imposed for failure to comply with a federal, state, or local means-tested program that distributes publicly funded benefits.

Food stamp benefits shall not be increased when work sanctions are imposed on recipients benefits for failure to comply with work requirements or any other penalty for a failure to comply with the other program requirements. A penalty for purposes of this provision is the amount by which the welfare assistance payment has been decreased.

The procedure for determining food stamp benefits when there is such a decrease in income are as follows:

- A. The food stamp office shall identify the amount of the decrease when a recipient's benefit under a federal, state, or local means-tested program is decreased due to noncompliance with a requirement of that program. The term decrease is any reduction, suspension, or termination of benefits.

The food stamp office shall include that portion of the decrease due to a penalty being imposed as a benefit amount. The penalty for purposes of this provision shall be the portion of the decrease attributed to repayment of benefits overissued as a result of the household's noncompliance or the amount by which the other program's benefits have been otherwise decreased as the result of the noncompliance.

- B. The food stamp office shall calculate the food stamp benefits using the benefit amount which would be issued by that program if no penalty had been imposed against the benefit amount. A situation where benefits of the other program are being frozen at the current level shall not constitute a penalty subject to these provisions. Changes in household circumstances that are not related to the penalty and result in an increase in food stamp benefits shall also not be affected by these provisions.
- C. A household containing an individual disqualified for IPV/fraud by another means-tested program will not receive an increase in the food stamp allotment. If the household has a IPV/fraud penalty imposed and an additional decrease in grant for failure to comply with a requirement, the entire amount of the grant will be used in determining the food stamp allotment.

B-4330 REPLACEMENT OF COUPONS DESTROYED AFTER RECEIPT

- A. A household may request a replacement for that portion of its allotment, not to exceed one month's food coupon allotment, unless the issuance includes restored benefits which shall be replaced up

to their face value which it had received but was subsequently destroyed in a household misfortune such as fire or flood. Replacements of coupons stolen or lost in the mail prior to receipt are handled under B-4693. To qualify for a replacement, the household shall report the destruction to the local food stamp office within 10 days of the incident. The household must sign and return a statement or an Affidavit for Lost Coupons (Form FS-19) to the food stamp office within 10 days of the date of the report or coupons shall not be replaced. If the 10th day falls on a weekend or holiday, and the statement or Affidavit for Lost Coupons is received the day after the weekend or holiday, the food stamp office shall consider the statement timely received.

The statement or affidavit shall:

1. Attest to the destruction of the household's food coupons.
2. State that the original coupons will be returned to the food stamp office if recovered by the household.
3. State that the household is aware of the penalties for intentional misrepresentation of the facts.

B. Upon receiving a request for replacement of coupons reported as destroyed in an individual household misfortune, the food stamp office shall:

1. Verify the disaster through either a collateral contact, documentation from a community agency including, but not limited to, the fire department or the Red Cross, or a home visit.
2. Examine the casefile for notation of previous requests by the household for replacement of coupons reported destroyed subsequent to receipt. Replacement of coupons reported as destroyed subsequent to receipt shall be made only twice in a six-month period. If, in the previous six months, the household has been issued two replacements for coupons reported as destroyed subsequent to receipt, then replacement shall be denied.
3. Issue replacement coupons within 10 days of report of loss provided a signed statement of loss is received. If the statement of loss is received on the 9th or 10th day after the report of loss, issuance must be replaced within two working days.
4. Indicate in the casefile that a replacement has been provided.

B-4330.1 LOST OR MISPLACED COUPONS

The food stamp office shall not issue a replacement allotment to a household which reports that its coupons were lost or misplaced after being received. The food stamp office shall not issue a replacement allotment to a household which reports that its coupons were stolen after being received.

B-4330.2 DISASTER AND REPLACEMENT ALLOTMENTS

Where USDA/FCS has issued a disaster declaration and the household is eligible for emergency food coupon benefits, the household shall not receive both the disaster allotment and a replacement allotment.

B-4331 REPLACEMENT OF FOOD DESTROYED IN A MISFORTUNE

In cases in which food purchased with food coupons is destroyed in a household misfortune, that household may be eligible for replacement of actual value of loss, not to exceed one month's food coupon allotment, if the loss is reported within 10 days of the incident, if a statement or Affidavit for Lost Coupons is received within 10 days of the report of loss, and the household's misfortune is verified.

The food stamp office shall verify the misfortune through a collateral contact, a community organization such as a fire department or the Red Cross, or a home visit. The food stamp office shall provide a replacement allotment, if the signed statement of loss or Form FS-19 is received, within 10 days of the reported loss or within two working days of receiving the signed statement or affidavit, whichever date is later. This provision shall apply in cases of an individual household misfortune, such as a fire, as well as in natural disasters affecting more than one household. No limit on the number of replacements shall be placed on food purchased with food coupons which was subsequently destroyed in a household misfortune.

B-4400 ADMINISTRATIVE PROCEDURES AND ISSUANCE TABLES

B-4410 FAIR HEARINGS

Any household that is aggrieved by any action of the certification or issuance office affecting (he household's participation in the program, may appeal by requesting a fair hearing. The Office of Appeals shall enter a final agency decision resolving the appeal within 60 days after the hearing was requested. The State Division of Administrative Hearings shall render an initial decision within 20 days of the hearing date. However, if the head of the household or his representative requests a delay in the proceedings, the time limit for action on the decision may be extended for as many days as the hearing is delayed up to 30 days. For example, if the hearing was delayed 30 days, a final agency decision would be required 90 days after the fair hearing was requested.

Hearing requests for households that plan to move from the area, such as migrant farm workers, shall be processed faster than others, if necessary, to enable them to receive a decision and any appropriate restoration of benefits before they leave the area.

The Division of Administrative Hearings (DOAH) shall be allowed to deny fair hearings to those households that are disputing the fact that a statewide reduction, cancellation, or suspension was ordered. DOAH is not required to hold a fair hearing unless the request is based on the household's belief that the rules were misapplied.

B-4410.1 TIMELY ACTION ON HEARINGS

Initial decisions shall not be implemented pending review by the Office of Appeals and entry of a final agency decision. Final agency decisions which result in an increase in household benefits shall be reflected in the coupon, allotment within 10 days of the receipt of the decision even if the food stamp office must provide a supplementary allotment or otherwise provide the household with the opportunity to obtain the allotment outside of the normal cycle. However, the food stamp office may take longer than 10 days if it elects to make the decision effective in the household's normal issuance cycle, provided that the issuance will occur within 60 days from the household's request for the hearing. Final agency decisions which result in a decrease in household benefits shall be reflected in the next scheduled issuance following receipt of the decision, unless the decision is stayed by the State Department Office of Appeals upon a showing of irreparable harm.

B-4410.12 TIME PERIOD FOR REQUESTING A LOCAL DISPUTE RESOLUTION CONFERENCE OR STATE LEVEL HEARING

A household shall be allowed to request a local dispute resolution conference or state level fair hearing on any action by the food stamp office or loss of benefits which occurred in the prior 90 calendar days. Such food stamp action shall include a denial of a request for restoration of benefits lost more than 90 calendar days but less than a year prior to the request. In addition, at any time within a certification period, a household may request a fair hearing to dispute its current level of benefits.

An aggrieved household shall be advised that the use of a local dispute resolution conference is optional and that it shall in no way delay or replace the fair hearing process. If the household does not wish an

informal conference but desires to have the disputed matter considered only at a state-level hearing, this fact should be indicated on the tear-off portion of the FS-4. In these cases the request shall be forwarded to the Division of Administrative Hearings.

B-4410.13 LOCAL LEVEL DISPUTE RESOLUTION PROCESS

The food stamp office, prior to taking action to deny, terminate, reduce, or recover food stamp benefits, shall, at a minimum, provide the household an opportunity for a dispute resolution conference.

The right of a household to a local conference is primarily to assure that the proposed action is valid, to protect the person against an erroneous action concerning benefits, and to assure reasonable promptness of food stamp office action. The individual may choose, however, to bypass the dispute resolution process and appeal directly to the State Division of Administrative Hearings for a state level fair hearing.

.131 The household is entitled to:

- A. be represented by an authorized representative, such as legal counsel, relative, friend, or other spokesman, or s/he may represent her/himself at the conference;
- B. with the exception of names of confidential informants, privileged communications between the county department and its attorney, and the nature and status of pending criminal prosecutions, examine the contents of the case file and all documents and records used by the county department in making its decision, at a reasonable time before the conference, and during the conference;
- C. present new information or documentation to support reversal or modification of the proposed adverse action;

.132 Failure of the applicant/recipient to request a local conference within the prior notice period, or failure to appear at the time of the scheduled conference without making a timely request for postponement, shall constitute abandonment of the right to a conference, unless the applicant/recipient can show good cause for his/her failure to appear.

“Good Cause” includes, but is not limited to: death or incapacity of an applicant/recipient, or a member of his/her immediate family, or the representative; any other health or medical condition of an emergency nature; or, other circumstances beyond the control of the applicant/recipient, and which would prevent a reasonable person from making a timely request for a conference or postponement of a scheduled conference.

.133 the County Department may consolidate the food stamp conference with disputes regarding other assistance payments programs, the Colorado works program, or disputes concerning medicaid eligibility if the facts are similar and consolidation will facilitate resolution of all disputes.

B-4410.14 CONDUCT OF LOCAL DISPUTE RESOLUTION CONFERENCE

The local dispute resolution conference shall be held in the county department or agency where the proposed decision is pending before a person who was not directly involved in the initial determination of the action in question. The individual who initiated the action in dispute may not conduct the local level dispute resolution conference.

.141 The person designated to conduct the conference shall be in a position which, based on knowledge, experience, and training, would enable him/her to determine if the proposed action is valid.

.142 Two or more county departments/service delivery agencies may establish a joint dispute resolution

process. If two or more counties/service delivery agencies establish a joint process, the location of the conference need not be held in the county or agency taking the action, but the conference location shall be convenient to the applicant/recipient.

- .143 The local level conference may be conducted either in person or by telephone. A telephonic conference must be agreed to by the applicant/recipient.
- .144 The county/agency caseworker or other person who initiated the action in dispute shall attend the local level conference and present the factual basis for the disputed action.
- .145 The local level dispute resolution conference shall be conducted on an informal basis. Every effort is to be made to assure that the applicant/recipient household understands the county department's specific reasons for the proposed action, and the applicable state department's rules. In the event the household does not speak English, an interpreter shall be provided by the County Department/agency.
- .146 The county department/food stamp office shall have available at the conference all pertinent documents and records in the case file relevant to the specific action in dispute.
- .147 To the extent possible, the local dispute resolution conference shall be scheduled and conducted within the prior notice period. If the county department cannot conduct the conference within this period, for whatever reason, the adverse action in dispute shall be delayed until a conference can be held, unless continued benefits are waived by the household.
- .148 The food stamp office shall provide reasonable notice to the household of the scheduled time and location for the conference, or the time of the scheduled telephone conference. Notice should be in writing, however, verbal notice may be given to facilitate the dispute resolution process.

If a conference is requested to attempt to resolve a contested denial of expedited service pursuant to section B-4011.61, it shall be scheduled within two working days of the receipt of the request for a conference unless the household requests that the conference be held later. Prior notice is not required.

. 149 NOTICE OF DISPUTE RESOLUTION CONFERENCE DECISION

At the conclusion of the conference, the person presiding shall reduce to writing the agreement entered into by the parties. Such agreement shall be signed by the parties and/or their representatives and shall be binding upon the parties. A copy of the written decision shall immediately be provided to the applicant/recipient and/or his/her representative.. in the event the dispute is not resolved, the person presiding shall prepare a written statement indicating that the dispute was not resolved.

The decision shall include a statement explaining the applicant or recipient's right to request a state level fair hearing before an Administrative Law Judge, the time limit for requesting a state level hearing, and if appropriate, a statement that financial assistance will continue pending a final state decision if appealed to the state within 10 calendar days from the date of the conference decision.

8-4410.15 FOOD STAMP OFFICE RESPONSIBILITIES

- A. Upon request, the food stamp office shall 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 request speaks a language other than English, the food stamp office is required to provide bilingual staff or interpreter who speaks the appropriate language. The food stamp office shall ensure that the hearing procedures

are verbally explained in that language, upon request. The food stamp office shall also help a household with its hearing process. Households shall be advised of any legal services available that can provide representation at the hearing.

- B. The food stamp office shall expedite hearing requests from households, such as migrant farm workers, that plan to move from the jurisdiction of the hearing officer before the hearing decision would normally be reached. Hearing requests from these households shall be processed faster than others, if necessary, to enable them to receive a decision before they leave the area.

B-4410.16 HEARING DENIALS OR DISMISSALS

The Division of Administrative Hearings (DOAH) will not deny or dismiss a request for a hearing unless:

- A. The request is not received within the time period specified in B-4410.13;
- B. The request is withdrawn in writing by the household or its representative; or
- C. The household or its representative fails, without good cause, to appear at the scheduled hearing.

The ALJ shall not enter a default against any party for failure to file a written answer to the notice of hearing, but shall base the initial decision upon the evidence presented at the hearing.

When the Administrative Law Judge dismisses an appeal for reasons other than failure to appear, the decision of the Administrative Law Judge shall be an initial decision, which shall not be implemented pending review by the Office of Appeals and entry of an agency decision.

When an appellant fails to appear at a duly scheduled hearing having been given proper notice, without having given timely advance notice to the Administrative Law Judge of acceptable good cause for inability to appear at the hearing at the time, date and place specified in the notice of hearing, then the appeal shall be considered abandoned and an order of dismissal shall be entered by the Administrative Law Judge and served upon the parties by the Division of Administrative Hearings. The order of dismissal for failure to appear shall not be implemented pending review by the Office of Appeals and entry of a final agency decision.

The appellant, however, shall be afforded a ten-day period from the date the order of dismissal was mailed, during which the appellant may explain in a letter to the Administrative Law Judge the reason for his/her failure to appear. If the Administrative Law Judge then finds that there was acceptable good cause for the appellant not appearing, the Administrative Law Judge shall vacate the order dismissing the appeal and reschedule another hearing date.

If the appellant does not submit a letter seeking to show good cause within the 10-day period, the order of dismissal shall be filed with the Office of Appeals of the State Department. The Office of Appeals shall confirm the dismissal of the appeal by an agency decision, which shall be served upon the parties and the interested Division of the State Department. Within three working days after the effective date of the decision, the Food Stamp office shall implement necessary actions to provide benefits in the correct amount, to terminate benefits, to recover benefits incorrectly paid, and/or other appropriate actions in accordance with the rules.

If the appellant submits a letter seeking to show good cause and the Administrative Law

Judge finds that the stated facts do not constitute good cause, he/she shall enter an initial decision confirming the dismissal. The appellant may file exceptions to the initial decision pursuant to Section B-4410.34, E.

B-4410.2 CONTINUATION OF BENEFITS

If a household requests a fair hearing anytime prior to the effective date of the Notice of Adverse Action, and its certification period has not expired, the household's participation in the program shall be continued on the basis authorized immediately prior to the Notice of Adverse Action, unless the household specifically waives continuation of benefits. Households which were not given a 10-day advance notice period, plus one additional day for mailing time, prior to the effective date of the Notice of Adverse Action shall be given 10 days after the date the notice is mailed to appeal and receive continued benefits unless the household specifically waives continuation of benefits. If the letter (form) requesting a fair hearing does not positively indicate that the household has waived continuation of benefits, the food stamp office shall assume that continuation of benefits is desired and the benefits shall be issued accordingly.

During the fair hearing period the food stamp office shall adjust allotments to take into account reported changes, except for the factors on which the fair hearing is based.

If the food stamp office action is upheld by the hearing decision, a claim against the household shall be established for all overissuances. If the hearing request is not made within the times specified above, benefits shall be reduced or terminated as provided in the Notice of Adverse Action. However, if the household established that its failure to make the request within the advance notice period was for good cause, the food stamp office shall reinstate the benefits to the prior basis. When benefits are reduced or terminated as a result of a mass change, participation on the prior basis shall be reinstated only if the issue being contested is that food stamp eligibility or benefits were improperly computed or that Federal Regulations or State Manual rules were misapplied or misinterpreted by the food stamp office.

B-4410.21 PROGRAM PARTICIPATION DURING AN APPEAL

Once continued or reinstated, benefits shall not be reduced or terminated prior to the receipt of the final agency decision unless:

- A. The certification period expires. The household may reapply and may be determined eligible for a new certification period with a benefit amount as determined by the food stamp office.
- B. The Administrative Law Judge (ALJ) 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 food stamp office improperly computed the benefits or misinterpreted or misapplied such law or regulation is invalid.
- C. A change affecting the household's eligibility or basis of issuance occurs while the final agency decision is pending and the household fails to request a hearing after the subsequent Notice of Adverse Action.
- D. A mass change affecting the household's eligibility or basis of issuance occurs while the final agency decision is pending.

The certification office will promptly inform the household in writing if the benefits are reduced or terminated pending the final agency decision.

B-4410.3 NOTIFICATION OF TIME AND PLACE OF HEARING

The State Department of Administration, Division of Administrative Hearings (DOAH), shall arrange the

time, date and place of the hearing so that the hearing is accessible to the household. At least 10 days prior to the hearing, advance written notice shall be provided to all parties involved to permit adequate preparation of the case. The household, however, may request less advanced notice to expedite the scheduling of the hearing.

The notice shall:

- A. Advise the household or its representative of the name, address, and phone number of the person to notify in the event it is not possible for the household to attend the scheduled hearing.
- B. Specify that the household's hearing request will be dismissed if the household or its representative fails to appear for the hearing without good cause.
- C. Include a copy of the information outlining the state agency's fair hearing procedures.
- D. Explain that the household may examine the case file prior to the hearing.

The hearing may be conducted by telephone using conference call techniques unless one of the parties objects to this method. If a hearing is held by telephone using conference call techniques, the rules of procedure (including a recording of the hearing) shall be the same as a face-to-face hearing.

B-4410.31 ADMINISTRATIVE LAW JUDGE/HEARING AUTHORITY

The Administrative Law Judge (ALJ) is an impartial state level official who is also the hearing authority with the authority to render an initial administrative decision in a hearing. The ALJ shall:

- A. Administer all oaths or affirmations as required by the State;
- B. Ensure all relevant issues are considered;
- C. Request, receive and make part of the record all evidence determined necessary to decide the issues being raised;
- D. Regulate the conduct and course of the hearing consistent with due process to ensure an orderly hearing;
- E. Order, where relevant and useful, an independent medical assessment or professional evaluation from a source mutually satisfactory to the household and the food stamp office;
- F. Provide a hearing record, prepare and file an initial hearing decision with the Department of Human Services which shall serve each party with a copy of the initial decision.

B-4410.32 ATTENDANCE AT HEARINGS

The hearing shall be attended by a representative of the food stamp office and by the household and/or its representative. The hearing may also be attended by friends or relatives of the household if the household so chooses. The ALJ shall have the authority to limit the number of persons in attendance at the hearing if space limitations exist.

B-4410.33 HOUSEHOLD RIGHTS DURING HEARING

The household or its representative must be given adequate opportunity 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 food stamp office to establish the household's ineligibility or eligibility and allotment shall 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 disclosure. If requested by the household or its representative, the food stamp office shall provide a 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 will not otherwise have an opportunity to contest or challenge shall not be introduced at the hearing nor affect the hearing officer's decision.

The household, its representative and the food stamp office shall be entitled to:

- A. Present the case or have it presented by a legal counsel or other person.
- B. Bring witnesses.
- C. Advance arguments without undue interference.
- D. Question or refute any testimony or evidence, including an opportunity to confront and cross-examine adverse witnesses.
- E. Submit evidence to establish all pertinent facts and circumstances in the case.

B-4410.34 HEARING DECISIONS

- A. Decisions of the ALJ shall not run counter to Federal law, State Department rule, or state statute, and shall be based on the hearing record. The verbatim transcript or recording of testimony and exhibits, or an official report containing the substance of what transpired at the hearing, together with all papers and requests filed in the proceedings, shall constitute the exclusive record for an initial decision by the ALJ. This record shall be retained in accordance with normal retention periods. This record shall also be available to the household or its representative at any reasonable time for copying and inspection.

- B. Following the conclusion of the state hearing, the Administrative Law Judge shall promptly prepare and issue an initial decision and file it with the Office of Appeals of the State Department of Human Services.

The initial decision shall make an initial determination whether the county or State Department or its agent acted in accordance with, and/or properly interpreted, the rules of the State Department. The Administrative Law Judge may determine whether statutes were properly interpreted and applied only when no implementing State rules exist. The Administrative Law Judge has no jurisdiction or authority to determine issues of constitutionality or legality of departmental rules.

The initial decision shall advise the household that failure to file exceptions to provisions of the initial decision will waive the right to seek judicial review of a final agency decision affirming those provisions.

The Office of Appeals shall promptly serve the initial decision upon each party by first class mail, and shall transmit a copy of the decision to the Divisions of the State Department which administer the program(s) pertinent to the appeal.

- C. The initial decision by the ALJ shall summarize the facts of the case, specify the reasons for the initial decision, and identify the supporting evidence and the pertinent staff manual rule.
- D. The initial decision shall not be implemented pending review by the Office of Appeals and entry of a

final agency decision.

E. The Office of Appeals of the State Department, as the designee of the Executive Director, shall review the initial decision of the Administrative Law Judge and shall enter a final agency decision affirming, modifying, reversing, or remanding the initial decision.

1. Any party seeking an agency decision which reverses, modifies or remands the initial decision of the Administrative Law Judge shall file exceptions to the decision with the State Department, Office of Appeals, within fifteen (15) days (plus three days for mailing) from the date the initial decision is mailed to the parties. Exceptions must state specific grounds for reversal, modification or remand of the initial decision.

If the party asserts that the Administrative Law Judge's findings of fact are not supported by the weight of the evidence, the party shall simultaneously with or prior to the filing of exceptions request the Division of Administrative Hearings to cause a transcript of all or a portion of the hearing to be prepared and filed with the Office of Appeals. The exceptions shall state that a transcript has been requested, if applicable. Within 5 days of the request for transcript, the party requesting it shall advance the cost therefor to the transcriber designated by the Division of Administrative Hearings unless prior payment is waived by the transcriber.

A party who is unable because of indigency to pay the cost of a transcript may file a written request, which need not be sworn, with the Office of Appeals for permission to submit a copy of the hearing tape instead of the transcript. If submission of a tape is permitted, the party filing exceptions must promptly request a copy of the tape from the Division of Administrative Hearings and deliver it to the Office of Appeals. Payment in advance shall be required for the preparation of a copy of the tape.

If the exceptions do not challenge the findings of fact, but instead assert only that the Administrative Law Judge improperly interpreted or applied State rules or relevant statutes, the party filing exceptions is not required to provide a transcript or tape to the Office of Appeals.

The Office of Appeals shall serve a copy of the exceptions on each party by first class mail. Each party shall be limited to ten (10) calendar days from the date exceptions are mailed to the parties in which to file a written response to such exceptions. The Office of Appeals shall not permit oral argument.

The Office of Appeals shall not consider evidence which was not part of the record before the Administrative Law Judge. However, the case may be remanded to the Administrative Law Judge for rehearing if a party establishes in its exceptions that material evidence has been discovered which the party could not with reasonable diligence have produced at the hearing.

While review of the initial decision is pending before the Office of Appeals, the record on review, including any transcript or tape of testimony filed with the Office of Appeals, shall be available for examination by any party at the Office of Appeals during regular business hours.

2. The Division(s) of the State Department responsible for administering the program(s) relevant to the appeal may file exceptions to the initial decision, or respond to exceptions filed by a party, even though the Division has not previously appeared as a party to the appeal. The Division's exceptions or responses must be filed in compliance with the requirements of Section B-4410.34, E, 1, above. Exceptions filed by a Division that did not appear as a party at the hearing shall be treated as requesting review of the initial decision upon the

State Department's own motion.

3. In the absence of exceptions filed by any party or by a Division of the State Department, the Office of Appeals shall review the initial decision, and may review the hearing file of the Administrative Law Judge and/or the taped testimony of witnesses, before entering a final agency decision. Review by the Office of Appeals shall determine whether the decision properly interprets and applies the rules of the State Department, or relevant statutes, and whether the findings of fact and conclusions of law support the decision. If a party or Division of the State Department objects to the agency decision entered upon review by the Office of Appeals, the party or Division may seek reconsideration pursuant to section B-4410.34, I, below.
 4. The Office of Appeals shall mail copies of the final agency decision to all parties by first class mail.
- F. For purposes of requesting judicial review, the effective date of the final agency decision shall be the third day after the date the decision is mailed to the parties, even if the third day falls on Saturday, Sunday, or a legal holiday. The parties shall be advised of this in the agency decision.
- G. The state or county department shall initiate action to comply with the final agency decision within three working days after the effective date. The department shall comply with the decision even if reconsideration is requested, unless the effective date of the agency decision is postponed by order of the Office of Appeals or a reviewing court.
- H. If the State Department rules that the household had its food stamp benefits wrongfully delayed, denied, or terminated, the food stamp office shall provide retroactive benefits. If the State Department rules that coupons were overissued previous to and during the pendency of the determination of final agency action, a claim for overissued benefits will be prepared.
- I. A motion for reconsideration of a final agency decision may be granted by the Office of Appeals for the following reasons:
1. Upon a showing of good cause for failure to file exceptions to the initial decision within the 15 day period allowed by section B-4410.34, E, 1; or
 2. Upon a showing that the agency decision is based upon a clear or plain error of fact or law. An error of law means failure by the Office of Appeals to follow a rule, statute, or court decision which controls the outcome of the appeal.

No motion for reconsideration shall be granted unless it is filed in writing with the Office of Appeals within 15 days of the date that the agency decision is mailed to the parties. The motion must state specific grounds for reconsideration of the agency decision.

The Office of Appeals shall mail a copy of the motion for reconsideration to each party of record and to the appropriate Division of the State Department.

B-4410.35 CONSOLIDATED HEARINGS

The ALJ may respond to a series of individual requests for hearings by conducting a single group hearing. The DOAH may consolidate only cases where individual issues of fact are not disputed and where related issues of State and/or Federal law, regulation or policy are the sole issues being raised. In all group hearings, the regulations governing individual hearings must be followed. Each individual household shall be permitted to present its own case or have its case presented by a representative.

B-4410.4 RESTORATION OF LOST BENEFITS

Restoration of lost benefits is warranted only when a household has lost benefits due to an error by the food stamp office, a subsequent court order, or the reversal of a fraud disqualification, as specified in the section LOST BENEFITS DUE TO FRAUD REVERSAL. Benefits shall be restored for not more than twelve (12) months prior to whichever of the following occurred first:

- A. The date the food stamp office was notified by the household or by another person or agency in writing, or orally, of the possible loss to that specific household.
- B. The date the food stamp office discovers that a loss to a specific household has occurred, or
- C. The date the household requested a fair hearing to contest the adverse action which resulted in the loss.

If the restoration is the result of a judicial action, the amount to be restored shall be determined as follows:

- A. If the judicial action is the first action the household has taken to obtain a restoration of lost benefits, then benefits shall be restored for a period of not more than twelve (12) months from the date the court action was initiated.
- B. If the judicial action is a review of an action taken by the food stamp office, the benefits shall be restored for a period of no more than twelve (12) months from the first of either:
 - 1. The date the food stamp office was notified by the household or by another person or agency in writing, or orally, of the possible loss to that specific household, or
 - 2. The date the household requested a fair hearing.

In no case shall a restoration of benefits exceed twelve months from the date the food stamp office is notified of, or discovers, the loss.

Benefits shall be restored even if the household is currently ineligible.

In the event that the state orders a reduction or cancellation of benefits, those households whose allotments are reduced or cancelled as a result of the enactment of those procedures are not entitled to restoration of lost benefits unless the Secretary of Agriculture orders the State to restore reduced or cancelled benefits to affected households at a later date. If the Secretary of Agriculture directs the State to restore reduced or cancelled benefits, the food stamp office shall work promptly to issue such benefits.

B-4410.41 ERRORS BY SSA OFFICE

The food stamp office shall restore to the household benefits which were lost whenever the loss was caused by an error by the food stamp office or by the Social Security Administration through joint processing. Such an error shall include, but not be limited to, the loss of an applicant's food stamp application after it has been filed with SSA or with a county's outstationed worker. Lost benefits shall be restored in accordance with the section PROCEDURE TO RESTORE LOST BENEFITS.

For applicants who jointly applied for SSI and food stamps prior to the release from a public institution, and the food stamp office is not notified on a timely basis of the applicant's release date, the office shall restore benefits back to the date of the release.

B-4410.5 ELIGIBILITY FOR RESTORATION OF BENEFITS

To be eligible for restored benefits, the household must have had its food stamp benefits (bonus coupons) wrongfully delayed, denied, or terminated. The term denial shall include the situation where, through certification office error, the net income was larger than required under proper determination, and

because of this improperly set net income, the household was unable to get the proper allotment. Delay shall mean that eligibility determination was not accomplished within the prescribed time limits set forth in B-4011.

The household has the right to appeal through the fair hearing process, if the household disagrees with any action taken to grant or restore lost benefits. (See B-4410.6)

If the food stamp office has determined that a household is entitled to restoration of lost benefits, but the household is appealing some action in calculating or restoring the lost benefits, the household shall receive the lost benefits as determined by the food stamp office, pending the hearing results. Once a final agency decision is reached, the food stamp office shall comply with that decision.

B-4410.51 PROCEDURE TO RESTORE LOST BENEFITS

- A. When a worker and supervisor determine that a restoration of lost benefits is warranted, a Form FS-14 (Rev. 7/79), Claim/Benefit Restoration Determination, must be completed to include the signature of the approving supervisor at the bottom of the form.
- B. When an initial or final agency decision makes a determination that lost benefits should be restored, the certification office, upon receipt of the decision from the State Department, shall process the FS-14, Claim/Benefits Restoration Determination.

In either of the above cases, the FS-14 is the authority to grant restore lost benefits. The lost benefits shall be restored even if the household is currently ineligible. The amount due from an unpaid claim (FS-14) established against the household shall be subtracted and applied to the claim before the remainder of the lost benefits are restored. However, restoration of benefits shall not be offset against a claim in the initial allotment (first issuance) of an initial application. See B-4011.1 for definition of initial application. The amount of benefits to be restored for each month shall be shown on Form FS-14. The amount of lost benefits to be issued must also be shown on FS-4. (See B-4521 - B-4521.2 for completion and distribution instructions for the FS-14 and exhibit of form.)

The Food Stamp office shall restore benefits to households, which are leaving the area, before they depart, whenever possible. If benefits are not restored prior to household's departure, the Food Stamp office shall forward an authorization of the benefits to the household or to the new location if this information is known. The new Food Stamp office shall accept an authorization and issue the appropriate benefits whether the notice is presented by the household or received directly from another food stamp office.

B-4410.6 DISPUTED BENEFITS

- A. If the food stamp office determines that a household is entitled to restoration of lost benefits, but the household does not agree with the amount to be restored as calculated by the food stamp office or any other action taken by the food stamp office to restore lost benefits, the household may request a fair hearing within 90 days of the date the household is notified of its entitlement to restoration of lost benefits. If a fair hearing is requested prior to or during the time lost benefits are being restored, the household shall receive the lost benefits as determined by the food stamp office pending the results of the fair hearing. If the initial or final agency decision is favorable to the household, the food stamp office shall restore the lost benefits in accordance with that decision.
- B. If a household believes it is entitled to restoration of lost benefits but the food stamp office, after reviewing the case file, does not agree, the household has 90 days from the date of the food stamp office determination to request a fair hearing. The food stamp office shall restore lost benefits to the household only if the final agency decision is favorable to the household. Benefits lost more than 12 months prior to the date the food stamp office was initially informed of the

household's possible entitlement to lost benefits shall not be restored.

B-4410.61 CALCULATING LOST BENEFITS

After correcting the loss for future months and excluding those months for which benefits may have been lost prior to the 12 months limits described in paragraph B-4410.4, the food stamp office shall calculate the amount to be restored as follows:

1. If the household was eligible but received an incorrect allotment, the loss of benefits shall be calculated only for those months the household participated. If the loss was caused by an incorrect delay, denial, or termination of benefits, the months affected by the loss shall be calculated as follows:
 - a. If an eligible household's application was erroneously denied, the month the loss initially occurred shall be the month of application, or for an eligible household filing a timely reapplication, the month following the expiration of its certification period.
 - b. If an eligible household's application was delayed, the months for which benefits may be lost shall be calculated in accordance with procedures in B-4011.
 - c. If a household's benefits were erroneously terminated, the month the loss initially occurred shall be the first month benefits were not received as a result of the erroneous action.
 - d. After computing the date the loss initially occurred, the loss shall be calculated for each month subsequent to that date until either the first month the error is corrected or the first month the household is found ineligible.
2. For each month affected by the loss, the food stamp office shall determine if the household was actually eligible. In cases where there is no information in the household's case file to document that the household was actually eligible, the food stamp office shall advise the household of what information must be provided to determine eligibility for these months. For each month the household cannot provide the necessary information to demonstrate its eligibility, the household shall be considered ineligible.
3. For the months the household was eligible, the food stamp office shall calculate the allotment the Household should have received. If the household received a smaller allotment than it was eligible to receive, the difference between the actual and correct allotments equals the amount to be restored.
4. If a claim against a household is unpaid or held in suspense or termination, the amount to be restored shall be offset against the amount due on the claim before the balance, if any, is restored to the household. Initial allotments shall not be used to offset claims, even if the initial allotment is retroactive to the date of application and includes more than a one month allotment.

B-4410.7 LOST BENEFITS DUE TO FRAUD REVERSAL

Individuals disqualified for intentional program violation/fraud are entitled to restoration of any benefits lost during the months they were disqualified only if the decision which resulted in disqualification is subsequently reversed. An individual would not be entitled to restoration of lost benefits for the period it was disqualified unless a court of law reverses the original decision in separate court action. For each month the individual was disqualified, not to exceed 12 months, the amount to be restored, if any, shall be determined by comparing the allotment the household received with the allotment the household would

have received had the disqualified member been allowed to participate. If the household received a smaller allotment than it should have received, the difference equals the amount to be restored.

Participation in an administrative hearing (State or local) or referral for prosecution in which a person contests the food stamp office's assertion that the individual committed intentional program violation/fraud will be considered a request for restored benefits. If such a person is found to have committed intentional program violation by the State Department final agency decision and this decision is subsequently overturned by a court of law, the restoration of benefits shall be calculated for a period not to exceed twelve (12) months prior to the date of the original administrative hearing.

B-4410.8 METHOD OF RESTORATION

Regardless of whether a household is currently eligible or ineligible, the food stamp office shall restore lost benefits to a household by issuing an allotment equal to the amount of benefits that were lost. The amount restored shall be issued in addition to the allotment currently eligible households are entitled to receive. The food stamp office shall honor reasonable requests by households to restore lost benefits in monthly installments, if for example the household fears the excess coupons may be stolen.

B-4410.81 CHANGES IN HOUSEHOLD COMPOSITION

Whenever lost benefits are due a household and "the household's membership has changed, the food stamp office shall restore the lost benefits to the household containing a majority of the individuals who were household members at the time the loss occurred. If the food stamp office cannot locate or determine the household which contains a majority of household members, the food stamp office shall restore the lost benefits to the household containing the person who was the head of the household at the time the loss occurred.

B-4410.82 ACCOUNTING PROCEDURES

Each food stamp office shall be responsible for maintaining an accounting system for documenting a household's entitlement to restoration of lost benefits and for recording the balance of lost benefits that must be restored to the household. Each food stamp office shall, at minimum, document how the amount to be restored was calculated and the reason lost benefits must be restored. The accounting system shall be designed to readily identify those situations where a claim against a household can be used to offset the amount to be restored.

B-4425 DISQUALIFICATION FOR INTENTIONAL PROGRAM VIOLATION/FRAUD

Food stamp offices shall be responsible for investigating any case of alleged intentional program violation/fraud, and insuring that appropriate cases are acted upon either through administrative hearings, or by referral to a court of appropriate jurisdiction or by obtaining a "Waiver of Intentional Program Violation Hearing" . Administrative disqualification procedures or referral for prosecution should be initiated by the food stamp office anytime it has sufficient documentary evidence to substantiate that an individual has committed one or more acts of intentional program violation/fraud as defined in section B-4425.1 below. If administrative disqualification procedures or referral for prosecution is not initiated for a case involving an overissuance caused by a suspected act of intentional program violation/fraud, an inadvertent household error claim shall be established against the household.

An Administrative hearing should be initiated whenever the facts of the individual case do not warrant civil or criminal prosecution through the appropriate court system; in cases that were previously referred for prosecution and were declined by appropriate legal authority; and in previously referred cases where no action was taken within a reasonable period of time and which were formally withdrawn by the food stamp office.

The food stamp office may allow persons accused of intentional program violation to waive their rights to

an administrative disqualification hearing or to sign a disqualification consent agreement for plea bargained cases or cases of deferred adjudication.

Administrative hearings shall not be requested against an accused individual whose case is currently being referred for prosecution or subsequent to any action taken against the accused individual by the prosecutor or court of appropriate jurisdiction, if the factual issues of the case arise out of the same, or related circumstances.

B-4425.1 DEFINITION OF INTENTIONAL PROGRAM VIOLATION

For purposes of determining through administrative disqualification hearings whether or not a person has committed an intentional program violation, intentional program violations shall consist, of having intentionally:

- A. made a false or misleading statement, or misrepresented, concealed or withheld facts, or
- B. committed any act that constitutes a violation of the Food Stamp Act, the food stamp program regulations, or any state statute relating to the use, presentation, transfer, acquisition, receipt or possession of food stamp coupons.

B-4425.15 CRITERIA FOR DETERMINING INTENTIONAL PROGRAM VIOLATION

The determination of intentional program violation shall be based upon clear and convincing evidence which demonstrates that the household member(s) committed and intended to commit intentional program violation, as defined above. "Intentionally" is defined as a false representation of a material fact with knowledge of that falsity, or omission of a material fact with knowledge of that omission.

By "clear and convincing" is meant that evidence which is stronger than a "preponderance of evidence" and which is unmistakable and free from serious or substantial doubt.

B-4425.2 NOTIFICATION TO APPLICANT HOUSEHOLDS

The food stamp office shall inform the household in writing of disqualification penalties for intentional program violation each time it applies for program benefits. The penalty warning will appear in clear, boldface lettering on the food stamp application forms and shall serve as notification to the household.

B-4425.3 INTENTIONAL PROGRAM VIOLATION HEARING

Food stamp offices may conduct an administrative disqualification hearing for intentional program violation or may use the Division of Administrative Hearings of the Colorado Department of Administration to conduct an administrative disqualification hearing. The food stamp office may also refer intentional program violations under state fraud statutes, to a court of appropriate jurisdiction.

If the food stamp office determines that there is evidence to substantiate that a person has committed intentional program violation, the food stamp office shall allow that person the opportunity to waive his/her right to an administrative disqualification hearing.

B-4425.31 WAIVER OF ADMINISTRATIVE DISQUALIFICATION HEARING

A request for waiver of intentional program violation hearing (FS-39) shall be mailed to any household member suspected of intentional program violation. However, prior to providing the request for waiver, there shall be a review of the evidence against the household member by an eligibility supervisor in the food stamp office, and the supervisor shall document agreement that the evidence warrants the scheduling of an intentional program violation disqualification hearing.

Households mailed a request for waiver of intentional program violation (FS-39) shall be provided a copy of the FS-65 statement of rights.

The household shall be notified that it has 15 days from the date the FS-39 was dated and mailed to respond to the waiver by returning a completed waiver of intentional program violation (FS-39A).

The completion of the FS-39A, waiver of intentional program violation hearing, is voluntary and the food stamp office may not require its completion nor by its actions appear to require the completion of the waiver.

B-4425.32 DISQUALIFICATION FOR INTENTIONAL PROGRAM VIOLATION

If the household member suspected of intentional program violation signs the waiver of intentional program violation hearing (FS-39A) and returns the waiver to the food stamp office within 15 days from the date it is dated and mailed by the food stamp office, that person and the head of household shall be provided with a notice of disqualification for waived hearing of intentional program violation (FS-39B). The disqualification shall begin with the first month following the month the FS-39B is received by the household member.

Individuals who have waived a hearing for intentional program violation or who have been found to have committed an intentional program violation through a local level or state administrative intentional program violation decision shall be ineligible to participate in the food stamp program for 12 months for the first intentional program violation, 24 months for the second intentional program violation and permanently for the third intentional program violation/fraud. Individuals who receive multiple benefits due to misrepresenting their identity or residence shall be ineligible to participate in the Food Stamp Program for a 10-year period. Attempting to receive or receipt of more than one original allotment of benefits during an issuance period (calendar month) is considered as receipt of multiple benefits. A permanent disqualification for a third offense would override the disqualification period for multiple benefits.

The same act of intentional program violation repeated over a period of time shall not be separated so that separate disqualification periods can be imposed.

No further administrative appeal procedure exists after an individual voluntarily waives his/her right to an administrative hearing for intentional program violation. The disqualification penalty cannot be changed by a subsequent fair hearing decision. However, the household member is entitled to seek relief in a court having appropriate jurisdiction. The period of disqualification may be subject to stay by a court of appropriate jurisdiction or other injunctive remedy.

If the individual is not participating at the time the disqualification period is to begin, the disqualification shall take effect immediately and the disqualification will begin the first day of the month following the month the agency decision is effective.

Once a disqualification penalty has been imposed against a currently participating household member, the period of disqualification shall continue uninterrupted until completed regardless of the eligibility of the disqualified member's household. However, the disqualified member's household shall continue to be responsible for repayment of the overissuance which resulted from the disqualified member's violation regardless of its eligibility for food stamp benefits.

B-4425.5 LOCAL LEVEL INTENTIONAL PROGRAM VIOLATION HEARING

Food stamp offices which conduct local level intentional program violation hearings shall, within 5 working days after the deadline for receipt of the waiver of intentional program violation hearing, mail to the household a "Notice of Intentional Program Violation Hearing" (FS-37) together with a copy of the hearing procedure (FS-37A) if the waiver is not returned.

The food stamp office shall request a state or local level intentional program violation hearing by submitting a completed form FS-35, Request for an Intentional Program Violation Hearing, to the State Division of Administrative Hearings or the local level hearing officer.

Food stamp offices may conduct a local level administrative intentional program violation hearing, or use the State Division of Administrative Hearings for intentional program violation hearing purposes whenever they have accumulated evidence to substantiate that a person has committed one or more acts of intentional program violation as defined above. Form FS-37, Notice of Intentional Program Violation Hearing, and the FS-37A shall be sent to the household member at least 30 days in advance of the scheduled local hearing. At the time of the hearing, the food stamp office will have the opportunity to present the full body of evidence. The burden of proving intentional program violation is with the food stamp office. An administrative intentional program violation hearing may be initiated regardless of the current eligibility of the individual charged.

B-4425.53 LOCAL LEVEL HEARING OFFICER REQUIREMENTS

A. The individual who acts as a local level hearing officer for the food stamp office shall meet the following requirements:

1. He/she must be an impartial individual who does not have a personal stake or involvement in the case.
2. He/she can not have been directly involved in the initial determination of the action which is being contested and was not the immediate supervisor of the eligibility worker who initiated the intentional program violation action.

B. The individual who acts as a local level hearing officer shall be:

1. an employee of the county
2. an individual under contract with the county, or
3. an employee of another public agency, statutory board or other legal entity designated by the county to conduct hearings.

The individual who acts as a local level hearing officer is required to carefully consider the evidence and determine if intentional program violation was committed based on clear and convincing evidence.

B-4425.54 NOTICE OF LOCAL LEVEL INTENTIONAL PROGRAM VIOLATION DECISION

If a local level hearing officer determines that intentional program violation occurred, the household must be notified by using a completed FS-38, Notice of Local Level Hearing Decision for Intentional Program Violation. Accompanying the decision must be an FS-38A, Appeal Request from a Local Level Hearing for Intentional Program Violation.

If mailed, the notice shall be sent by either first class mail or certified mail (return receipt requested), or the notice may be served on the individual (s) by any other reliable method. If no proof of receipt is obtained, a statement of nonreceipt by the household member shall be considered good cause for not appearing at the hearing.

The decision shall contain the reasons for the hearing officer's decision and a response to client presented arguments and identify the evidence presented by both client and the food stamp office.

A copy of the local-level hearing decision will be forwarded to the State Department Food Assistance Programs for review.

B-4425.55 CLIENT'S RIGHT TO A STATE LEVEL HEARING

Persons that have been charged with intentional program violation and notified that a local level intentional program violation hearing has been scheduled have the right to request that their case be heard by a state level Administrative Law Judge. This can be done by returning the lower portion of page 2 of the form FS-37 within ten days of being notified of a local level hearing. If a state level hearing is requested the food stamp office shall forward the request to the State Division of Administrative Hearings no later than three working days from receipt of the notice. No local level intentional program violation hearing may be held if the accused requests a state level hearing within these specified guidelines.

B-4425.56 PARTICIPATION WHILE AWAITING APPEAL

The household may appeal the decision of local level intentional program violation to the State Division of Administrative Hearings. An appeal must be received by the food stamp office or by the Colorado Division of Administrative Hearings within 15 days of the date of household receipt of the local level decision. The household shall be allowed to participate as described in the section, "Participation While Awaiting a Hearing" .

B-4425.57 APPEAL FROM LOCAL-LEVEL FRAUD HEARING DECISION

If the household does appeal, the State Division of Administrative Hearings shall conduct the hearing, arrive at an initial decision and prepare and file with the Colorado Department of Human Services (CDHS), a copy of the initial decision which shall be promptly served on the parties. The local -level decision shall not be taken into consideration by the State Administrative Law Judge (ALJ) in making a determination of disqualification. However, timeliness of appeal of that decision may be considered.

If the household member appeals a local level hearing to a state level hearing, the State Division of Administrative Hearings shall provide a written notice to that household member at least 10 days in advance of the scheduled hearing. The 10 day advance notice must contain at a minimum:

- A. The date, time, and place of the hearing.
- B. A statement that the State Division of Administrative Hearings will dismiss the hearing request and the household member will be disqualified in accordance with the local hearing decision if the household member or its representative fails to appear for the hearing without good cause.
- C. A statement that the hearing does not preclude civil or criminal prosecution, or from collecting the overissuance.
- D. A listing of the household members' rights as contained in the FS-65.
- E. A copy of the State Division of Administrative Hearings hearing procedures shall be attached to the 10 day advance notice.

If the household member fails to appear for the administrative hearing appeal, the State Division of Administrative Hearings shall dismiss the hearing request. The Administrative Law Judge shall promptly serve copies of the order on the household member and the food stamp office. The order shall inform the household member that he/she will continue to be disqualified in accordance with the local-level hearing decision. The household member will be afforded a 10 day period from the date the order of dismissal was mailed to explain in a letter to the Division of Administrative Hearings the reason for failing to appear. If the Division of Administrative Hearings determines that the household member or its representative has good cause for not appearing, the Administrative Law Judge will reschedule another hearing date. The disqualification period shall continue in effect pending the outcome of the re-scheduled hearing.

If the appellant does not submit a letter seeking to show good cause within the 10-day period, the order of dismissal shall be filed with the Office of Appeals of the State Department. The Office of Appeals shall confirm the dismissal of the appeal by an agency decision, which shall be served on the parties and the interested Division of the State Department. Within three working days after the effective date of the decision, the food stamp office shall implement necessary actions to provide benefits in the correct amount, to terminate benefits, to recover benefits incorrectly paid, and/or other appropriate actions in accordance with the rules. If the appellant submits a letter seeking to show good cause and the Administrative Law Judge (ALJ) finds that the stated facts do not constitute good cause, the ALJ shall enter an initial decision confirming the dismissal. The appellant may file exceptions to the initial decision pursuant to Section B-4410.34, E.

B-4425.7 SCHEDULING OF INTENTIONAL PROGRAM VIOLATION HEARING INITIATED BY A LOCAL OFFICE

The time and place of the state or local level intentional program violation hearing shall be arranged so that the hearing is accessible to the household member suspected of intentional program violation. If the household member or representative cannot be located or fails to appear at a hearing initiated by the food stamp office without good cause, the hearing shall be conducted without the household member represented.

However, the household member may subsequently appeal a disqualification from a decision on the basis of not being notified. If the household provides a statement of nonreceipt and the county or the Department of General Support Services, Division of Administrative Hearings, cannot document receipt of the notice, a re-hearing of the evidence must be scheduled and the previous decision shall no longer be valid. Even though the household member is not represented, the hearing official is required to carefully consider the evidence and determine if intentional program violation was committed based on clear and convincing evidence.

If the household member is found to have committed intentional program violation but the State Department or a local hearing official later determines that the household member or representative had good cause for not appearing at a hearing initiated by the food stamp office, the previous decision shall no longer remain valid and the Department of General Support Services, Division of Administrative Hearings, or local level hearing officer shall conduct a new hearing. The hearing official who originally ruled on the case may conduct the new hearing. The household member who has received notice has a 10-day period from the date of the hearing to present reasons indicating a good cause for failure to appear. A hearing official must enter the good cause into the record.

B-4425.71 CONSOLIDATION OF ADMINISTRATIVE INTENTIONAL PROGRAM VIOLATION HEARING WITH FAIR HEARING

The Department of General Support Services, Division of Administrative Hearings, may combine a fair hearing and an administrative disqualification hearing into a single hearing if the factual issues arise out of the same or related circumstances and the household receives prior notice that the hearings will be combined. The amount of the claim will be contained on the notice of confirmation. If the intentional program violation hearings and fair hearings are combined, the State Division of Administrative Hearings will follow the timeliness standards for conducting intentional program violation hearings. If the hearings are combined for the purpose of settling the amount of the claim and determining whether or not intentional program violation has occurred, the household shall lose its right to a subsequent fair hearing on the amount of the claim. However, the State Division of Administrative Hearings shall, upon request of the household, allow- the household to waive the 30-day advance notice period required in the section ADVANCE NOTICE OF STATE OR LOCAL LEVEL INTENTIONAL PROGRAM VIOLATION HEARING below when the intentional program violation hearing and fair hearing are combined.

B-4425.72 TELEPHONIC HEARINGS

The state-level hearing may be conducted by telephone using conference call techniques unless one of

the parties objects to this method. If a hearing is held by telephone, the rules of procedure, including recording of the hearing, shall be the same as a face-to-face hearing. The household member charged with intentional program violation has the right to request a face-to-face hearing at anytime, including up to and during the telephonic hearing but not once the telephonic hearing is concluded.

B-4425.73 PARTICIPATION WHILE AWAITING A HEARING

A pending state or local level intentional program violation hearing shall not affect the individual's or the household's right to be certified and to participate in the program. Since the food stamp office cannot disqualify a household member for intentional program violation until it obtains a signed waiver of intentional program violation hearing, or until the local hearing official or State Department finds that the individual has committed intentional program violation, the food stamp office shall determine eligibility and benefit level of the household in the same manner it would be determined for any other household.

For example, if the action for which the household member is suspected of intentional program violation 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. However, the household's benefits shall be terminated if the certification period has expired and the household, after receiving its notice of expiration, fails to reapply. The food stamp office shall also reduce or terminate the household's benefits if the food stamp office has documentation which substantiates that the household is ineligible or eligible for fewer benefits (even if these facts led to the suspicion of intentional program violation and resultant hearing) and the household fails to request a fair hearing after receipt of a notice of adverse action. For example, the food stamp office may have facts which substantiate that a household failed to report a change in circumstances even though the food stamp office has not demonstrated that the failure to report involved an intentional program violation.

B-4425.74 ADVANCE NOTICE OF STATE OR LOCAL LEVEL INTENTIONAL PROGRAM VIOLATION HEARING

The State Administrative Law Judge or local level hearing officer shall provide written notice to the household member suspected of intentional program violation at least 30 days in advance of the " date an intentional program violation hearing initiated by the food stamp office has been scheduled. The form FS-37 shall be used for local-level hearings. The notice shall be mailed Certified Mail, Return Receipt Requested, or by first class mail or the notice may be served on the individual by any other reliable method, for example, personal delivery by food stamp worker or other employee, affidavit of service, Federal Express, etc. If no proof of receipt is obtained, a statement of nonreceipt by the household member shall be considered good cause for not appearing at the hearing. The notice shall contain at a minimum:

- A. The date, time and place of the hearing;
- B. The charge(s) against the household member;
- C. A summary of the evidence, and how and where the evidence can be examined;
- D. A warning that the decision will be based solely on information provided by the food stamp office if the household member fails to appear at the hearing.
- E. A statement that the household member or representative will have 10 days from the date of the scheduled hearing to present good cause for failure to appear in order to receive a new hearing;
- F. A warning that a determination of intentional program violation will result in a 12-month disqualification for the first violation, 24-month disqualification for the second violation, and permanent disqualification for the third violation, and a statement of which penalty

the hearing officer believes is applicable to the case scheduled for the hearing. Individuals who received multiple benefits due to misrepresenting their identity or residence shall be ineligible to participate in the Food Stamp Program for a 10-year period.

Attempting to receive, or receipt of, more than one original allotment of benefits during an issuance period (calendar month) is considered as receipt of multiple benefits. A permanent disqualification for a third offense would override the disqualification period for multiple benefits.

- G. A statement that the hearing does not preclude the state or federal government from prosecuting the household member for fraud in a civil or criminal court action, or from collecting" the overissuance;
- H. The name and telephone number of the agency that the individual can call to obtain free legal advice.
- I. A copy of the local-level hearing procedures (FS-37A), and the demand letter for overissuance (if not sent previously) shall be attached to the 30-day advance notice for the local-level hearing. The state ALJ will provide a copy of the State hearing procedures with the 30-day advance notice.

The Administrative Law Judge shall not enter a default against the household member for failure to file a written answer to the notice of hearing, but shall base the initial decision upon the evidence introduced at the hearing.

B-4425.75 INTENTIONAL PROGRAM VIOLATION HEARING PROCEDURES

- A. The provisions of the manual concerned with fair hearings entitled ADMINISTRATIVE LAW JUDGE (ALJ) HEARING AUTHORITY, ATTENDANCE AT HEARINGS, HOUSEHOLD RIGHTS DURING HEARING, and HEARING DECISIONS are also applicable for state and local intentional program violation hearings.
- B. At the intentional program violation hearing, the ALJ or local hearing officer shall advise the household member or representative that he/she may refuse to answer questions during the hearing.
- C. A hearing decision and notification to the parties must occur within 90 days from the date the household member is notified in writing that a state or local level hearing requested by the food stamp office has been scheduled.

Following the conclusion of the hearing at the state level, the ALJ prepares and issues an initial decision which shall contain a determination of whether the county or state department acted in accordance with, and properly interpreted, the rules and regulations of the state department. For the purpose of the decision, material issues of law shall be defined. The ALJ has no jurisdiction or authority to determine issues of constitutionality or legality of departmental rules or regulations. This decision is prepared and filed with the CDHS for service to each party.

A local-level hearing officer will meet the 90-day timeframe and issue the decision to the client and the food stamp office with a copy forwarded to the CDHS, Food Assistance section.

The household member or his/her representative is entitled to a postponement of up to 30 days if the request for postponement is made at least 10 days prior to the scheduled hearing date, unless good cause can be shown for failure to request postponement within the required timeframe. If the hearing is postponed, the above limits shall be extended for as many days as the hearing is postponed.

- D. The food stamp office shall make the hearing procedures in this staff manual available to any interested party.
- E. A verbatim transcript or recording of testimony and exhibits shall be made. This transcript or recording together with all papers and requests filed in the proceeding shall be retained by the food stamp office for a period of 3 years from the initiation of the action and shall be available to the household or its representatives at any reasonable time for copying and inspection.

B-4425.76 CRITERIA FOR DETERMINING INTENTIONAL PROGRAM VIOLATION

The hearing official shall base the determination of intentional program violation on clear and convincing evidence which demonstrates that the household member(s) committed and intended to commit intentional program violation, as defined in the section entitled DEFINITION OF INTENTIONAL PROGRAM VIOLATION. "Intentionally" is defined as a false representation of a material fact with knowledge of that falsity, or omission of a material fact with knowledge of that omission.

In the case of a hearing before the Administrative Law Judge (ALJ), this determination shall be an initial decision to be reviewed by the Office of Appeals pursuant to section B-4410.34, E. The initial decision shall not be implemented pending review by the Office of Appeals and entry of a final agency decision.

The initial decision shall advise the household that failure to file exceptions to provisions of the initial decision will waive the right to seek judicial review of a final agency decision affirming those provisions.

B-4425.77 ADMINISTRATIVE HEARING DECISION

- A. If the local level intentional program violation hearing finds the household member did not commit intentional program violation, the local-level hearing officer shall provide a written notice which informs the household, the food stamp office, and the CDHS, Food Assistance Section of the decision.
- B. The State ALJ will forward the initial decision to CDHS, Office of Appeals. The Office of Appeals shall promptly serve a copy of the initial decision upon each party by first class mail.
- C. The Office of Appeals of the State Department shall review the initial decision of the Administrative Law Judge and shall enter a final agency decision affirming, modifying, reversing, or remanding the initial decision, pursuant to section B-4410.34, E. Any party, or the Divisions of the State Department responsible for administering programs relevant to the appeal, if seeking an agency decision which reverses, modifies or remands the initial decision, may file exceptions to the initial decision as set forth in section B-4410.34, E, 1. The parties and the Division may also request reconsideration of the agency decision pursuant to section B-4410.34, I
- D. For purposes of requesting judicial review, the effective date of the final agency decision shall be the third day after the date the decision is mailed to the parties, even if the third day falls on Saturday, Sunday, or a legal holiday. The parties shall be advised of this in the agency decision.
- E. The state or county department shall initiate action to comply with the final agency decision within three working days after the effective date. The department shall comply with the decision even if reconsideration is requested, unless the effective date of the agency decision is postponed by order of the Office of Appeals or a reviewing court.
- F. If the household member has committed intentional program violation, that member shall be disqualified in accordance with the disqualification periods specified above. The same act of intentional program violation shall not be separated so that separate penalties can be imposed. Once the local -level hearing decision has been made, written notice, prior to disqualification, will be provided to the household member and to the food stamp office containing:

1. The decision.
2. The reason for the decision including pertinent regulations and a response to client presented arguments.
3. The disqualification period, including the date the disqualification will take effect. If the individual is no longer participating, the notice shall inform him/her that the period of disqualification shall take effect beginning with the first day of the month following the month the agency decision is effective.
4. If the household member is not satisfied with the decision given in a local level administrative hearing, (see the section entitled APPEAL FROM LOCAL LEVEL HEARINGS), he may request a hearing through the State Division of Administrative Hearings.
5. If the household member is not satisfied with the final state agency decision of a state-level administrative hearing, he may seek judicial review pursuant to 24-4-106, C.R.S. Any such action must be filed in accordance with the Rules of Civil Procedure for Courts of Record in Colorado within 30 days after the final agency decision becomes effective.

B-4427 COURT ACTION

- A. Food stamp offices are encouraged to refer for prosecution under state fraud statutes those individuals suspected of committing fraud, particularly if large amounts of food stamps are suspected of being fraudulently obtained or the individual is suspected of committing more than one fraudulent act. The food stamp office shall confer with its legal representative to determine the types of cases which will be accepted for possible prosecution. A summary or copy of a referral for prosecution shall, together with the date of the referral, be forwarded to the state department.
- B. Food stamp offices shall disqualify an individual found guilty of fraud or the length of time specified by the court. If the court fails to impose a disqualification period, the food stamp office shall impose an appropriate disqualification in accordance with the section, Disqualification for Intentional Program Violation, unless imposing a disqualification would be contrary to the court order.

If disqualification is ordered but a date for initiating the disqualification period is not specified, the food stamp office shall initiate the disqualification period for individuals within 45 days from the date the disqualification was ordered. Any other court-imposed disqualification shall begin within 45 days from the date the court found an individual guilty of civil or criminal misrepresentation or fraud.

Once a disqualification period has been imposed against a currently participating household member, the period of disqualification shall continue uninterrupted until completed regardless of the eligibility of the disqualified member's household.

- C. If the court finds that the individual committed fraud, the county shall mail an FS-4 to the household member. The notice shall be sent prior to the disqualification whenever possible, and shall inform the individual of the disqualification and the date the disqualification will take effect. In addition, the notice shall advise the remaining household members of the allotment they will receive during the period of disqualification or that they must reapply because the certification period has expired.

An individual found guilty of purchasing controlled substances (illegal drugs or drugs for which a doctor's prescription is required) with food stamps will be disqualified for 24 months on the first conviction by a court of law and permanently disqualified on a second conviction by a court of law. An individual convicted of trafficking in food stamps of \$500 or more will be disqualified

permanently.

An individual found guilty of purchasing firearms, ammunition, or explosives with food stamps will be permanently disqualified on the first conviction by a court of law.

An individual will be disqualified for controlled substances and firearms, even in the cases of deferred adjudication, if the court finds that the individual has engaged in the activity.

B-4427.1 DISQUALIFICATION CONSENT AGREEMENT

An individual must be found guilty of fraud through criminal court in order for the food stamp office to impose a disqualification penalty. However, when a determination of guilt is not obtained because of a case involving court deferred adjudication or plea bargaining, a disqualification penalty may be imposed if a signed consent agreement is obtained from the individual.

If county prosecutors pursue a consent agreement, the agreement shall provide the household advance notification of the consequences of consenting to the disqualification. The consent agreement shall contain the following:

- A. A statement for the accused individual to sign that he/she understands the consequences of consenting to disqualification.
- B. A signature block for the accused individual.
- C. A statement that the head of household must also sign the consent agreement if the accused individual is not the head of household.
- D. A signature block for the head of household.
- E. A statement that consenting to disqualification will result in disqualification and a reduction in benefits for the period of disqualification, even though the accused individual was not found guilty of civil or criminal misrepresentation or fraud.
- F. A warning that the disqualification penalties for fraud under the food stamp program which could be imposed are a 12-month disqualification for the first violation, 24-month disqualification for the second violation, and permanently for the third violation; and, a statement of which penalty the hearing officer believes is applicable to the case scheduled for the hearing. Individuals who received multiple benefits due to misrepresenting their identity or residence shall be ineligible to participate in the Food Stamp Program for a 10-year period.

Attempting to receive, or receipt of, more than one original allotment of benefits during an issuance period (calendar month) is considered as receipt of multiple benefits. A permanent disqualification for a third offense would override the disqualification period for multiple benefits.

- G. A statement of the fact that the remaining household members, if any, will be held responsible for repayment of the resulting claim, unless the accused individual has already repaid the claim as a result of meeting the terms of the agreement with the prosecutor or the court order.

B-4427.11 IMPOSING DISQUALIFICATION PENALTIES WHEN CONSENT AGREEMENTS ARE OBTAINED

If the household member suspected of fraud signs the disqualification consent agreement, the household

member shall be disqualified in accordance with the disqualification periods specified in the section, entitled Disqualification for Intentional Program Violation, unless contrary to the court order. The period of disqualification shall begin with the first month following the month the notice of adverse action expires. However, if the court imposes a disqualification period or specifies the date for initiating the disqualification period, the food stamp office shall disqualify the household member in accordance with the court order.

If the individual is not participating at the time the disqualification period is to begin, the disqualification shall take effect immediately and will begin the first day of the month following the month the agency decision is effective.

Once a disqualification penalty has been imposed against a currently participating household member, the period of disqualification shall continue uninterrupted until completed regardless of the eligibility of the disqualified member's household. However, the disqualified member's household shall continue to be responsible for repayment of the overissuance which resulted from the disqualified member's suspected fraudulent act regardless of its eligibility for program benefits.

B-4427.12 NOTIFICATION OF DISQUALIFICATION

If the household member suspected of fraud signs the disqualification consent agreement, the food stamp office shall provide written notice to the household member. The notice shall be provided prior to disqualification. The notice shall inform the household member of the disqualification and the date the disqualification will take effect. The food stamp office shall also provide to the remaining household members, if any, the allotment they will receive during the period of disqualification or that they must reapply because the certification period has expired. The procedures for handling the income and resources of the disqualified member are described in the section, entitled Treatment of Income and Resources of Disqualified Members.

B-4428.1 REVERSED FRAUD DISQUALIFICATIONS

In cases where the determination of fraud is reversed by a court of appropriate jurisdiction, or by a final agency decision, the food stamp office shall reinstate the individual in the program if the household is eligible. The food stamp office shall restore any benefits that were lost as a result of the disqualification in accordance with the procedures specified in the section, entitled Lost Benefits Due to Intentional Program Violation/Fraud Reversal.

B-4428.2 REPORTING INTENTIONAL PROGRAM VIOLATION/FRAUD ACTIVITIES

Food stamp offices shall enter into the proper Colorado automated food stamp system tracking system individuals disqualified for intentional program violation/fraud prior the second to the last working day of the month. In addition, food stamp offices shall prepare quarterly a form FS-36A, Investigation/Intentional Program Violation/Fraud Report. The completed report will be due 15 days after the end of the quarter to the state department.

B-4430 CLAIMS AGAINST HOUSEHOLDS

B-4430.1 ESTABLISHING CLAIMS AGAINST HOUSEHOLDS

A. Establishing a Claim

A claim shall be established against any household that has received more food stamp benefits than it was entitled to receive. A claim shall also be established against any household which contains an adult member who was an adult member of another household that received more food stamp benefits than it was entitled to receive. All adult household members shall be jointly and severally liable for the value of any overissuance of benefits to the household.

B. Trafficking of Benefits

1. Claims shall be established for benefits that are trafficked. The trafficking of benefits means the buying or selling of coupons, Authorized to Participate (ATP) cards, Electronic Benefit Transfer (EBT) cards or other benefit instruments for cash or consideration other than eligible food, or the exchange of benefit instruments for firearms, ammunition, explosives or controlled substances.
2. Claims resulting from trafficking related offenses would be the value of the trafficked benefits as determined by the individual's admission, through adjudication or the documentation that forms the basis for the trafficking determination. Documentation could include such items as notarized statements, printouts from the Electronic Benefit Transfer (EBT) systems, and other documents.
3. Claims shall also be established against a sponsor of an alien household member if the sponsor is at fault or against a person connected to the household, such as an authorized representative who actually traffics or otherwise causes an overissuance to occur.

C. Time Frame to Establish

Food stamp offices shall establish an agency or inadvertent household error claim before the last day of the quarter following the quarter in which the overpayment or trafficking incident was discovered. The discovery date for suspected program violation claims shall be the date that verification of overissuance or trafficking is obtained.

B-4430.11 Classification of Claims

Claims shall be classified as follows:

- A. "Agency Error Claims" - A claim shall be handled as an agency error claim if the overissuance was caused by an error on the part of the food stamp office.
- B. "Inadvertent Household Error Claims" - A claim shall be handled as an inadvertent household error claim if the overissuance was caused by a misunderstanding or unintentional error on the part of the household.
- C. "Intentional Program Violation/Fraud Claims" - A claim shall be handled as a intentional program violation/fraud claim only if an administrative intentional program violation hearing official or a court of appropriate jurisdiction has found a household member has committed intentional program violation or fraud. A claim shall also be handled as an intentional program violation/fraud if a signed waiver of intentional program violation or a signed disqualification consent agreement has been obtained. Prior to a waiver/consent agreement being signed or the determination of intentional program violation/fraud, the claim against the household shall be handled as an inadvertent household error claim.

B-4430.2 ESTABLISHING AGENCY ERROR AND INADVERTENT HOUSEHOLD ERROR CLAIMS **[Rev. eff. 2/1/11]**

The food assistance office shall establish a claim against any household that received an overissuance of benefits that totals one hundred twenty five dollars (\$125) or more. The claim will be established for amounts under one hundred twenty five dollars (\$125) if the household is participating and the claim can be collected by reducing the monthly allotment.

- A. Instances that may result in an agency error claim include, but are not limited to, the following:

1. The food assistance office failed to take prompt action on a change reported by the household;
 2. The food assistance office incorrectly computed the household's income or deductions, or otherwise assigned an incorrect allotment;
 3. The food assistance office continued to provide a household food assistance allotments after its certification period has expired without benefit of a reapplication of determination;
 4. The food assistance office failed to provide a household a reduced level of food assistance benefits because its public assistance grant changed.
- B. Instances that may result in an inadvertent household error claim include, but are not limited to, the following:
1. The household unintentionally failed to provide the state agency with correct or complete information.
 2. The household unintentionally failed to report changes in its household circumstances.
 3. The household unintentionally received benefits or more benefits than it was entitled to receive pending a fair hearing decision because the household requested a continuation of benefits based on the mistaken belief that it was entitled to such benefits.
 4. The household was receiving food assistance solely because of basic categorical eligibility and the household was subsequently determined ineligible for Colorado Works/SSI during the time that the benefits were being received. The claim must be based on a change in net income and/or household size.
 5. SSA failed to take action which resulted in the household's basic categorical eligibility and improper receipt of SSI. The claim must be based on change in net income and/or household size.

B-4430.21 Calculating the Amount of an Agency Error and Inadvertent Household Error Claim
[Rev. eff. 2/1/11]

- A. County offices shall calculate the amount of an agency error or inadvertent household error claim back to the month the overissuance occurred. However, in no event shall the amount of the claim be calculated for any period prior to six years from the date the overissuance was discovered. If the amount of the claim is less than one hundred twenty five dollars (\$125), it will not need to be calculated unless the claim can be collected by a recoupment from the allotment. If the claim is less than one hundred twenty five dollars (\$125), no further action is required if the household is not participating.
- B. An Inadvertent Household Error (IHE) claim that is due to earned income being reported in an untimely manner will be calculated without allowing the twenty percent (20%) earned income deduction.
- C. The correct allotment shall be calculated using the same methods applied to an actual certification, such as prospective or retrospectively. In cases involving reported changes, the food assistance office shall establish the claim for each month in which the error would have affected the household's food assistance allotment. In cases involving household failure to report a change in circumstances within the required timeframes, the first month affected by the household's failure to report shall be the first month in which the change would have been effective had it been timely reported. However, in no event shall the determination of the first month in which the change would have been effective be any later than two months from the month in which the change occurred. For purposes of calculating the claim, the food assistance office shall assume that the

change would have been reported properly and timely acted upon by the food assistance office. The actual circumstances of the household will be used to calculate the claim. If the change was an un-reportable change, it will not be considered in the calculation of the claim.

- D. If the household timely reported a change but the food assistance office failed to act on the change within the required timeframes, the first month affected by the food assistance office's failure to act shall be the first month the office would have made the change effective had it acted timely. If a notice of adverse action was required, the food assistance office shall assume, for the purpose of calculating the claim that the notice of adverse action period required in the section, entitled Advance Notice of Adverse Action, would have expired without the household requesting a fair hearing.
- E. If the household received a larger allotment than it was entitled to receive, the food assistance office shall establish a claim against the household that is equal to the difference between the allotment the household received and the actual allotment it should have received. Benefits authorized under Colorado Electronic Benefits Transfer System (CO/EBTS) will be used to calculate the claim. CO/EBTS benefits that are staged for expungement will be used to offset the amount of the claim. See Section B-4430.4, "Methods of Collecting Payment on Claims" .
- F. Claims being established for trafficking shall be based on the value of benefits as determined by an individual admission, adjudication, or the documentation that forms the basis for the trafficking determination.
- G. For households eligible under basic categorical eligibility, a claim shall only be determined when it can be computed on the basis of changed household net income and/or household size. A claim shall not be established if there was not a change in net income and/or household size.
- H. After calculating the amount of the agency or inadvertent household error claim, the food assistance office shall offset the amount of the claim against any amounts which have not yet been restored to the household in accordance with Section B-4410.51, entitled "Procedure to Restore Lost Benefits" . Expungements and any return of benefits that occur during the period that the claim is to cover shall also be used to offset the amount of the claim. The food assistance office shall then initiate collection action for the remaining balance, if any. The State prescribed form shall be used to determine and calculate the amount of the claim.

B-4430.22 Collecting Agency Error and Inadvertent Household Error Claims [Rev. eff. 2/1/11]

- A. Food assistance offices shall initiate collection action on all agency error and inadvertent household error claims. The food assistance office shall initiate collection action against any and all of the adult members of a household at the time an overissuance occurred, unless one of the following conditions apply:
 - 1. The claim is collected by offsetting lost benefits that were to have been restored to the household.
 - 2. The total amount of the claim is less than one hundred twenty five dollars (\$125), and the claim cannot be recovered through allotment reduction.
 - 3. The food assistance office has documentation which shows that the household cannot be located.

Collection action on inadvertent household error claims may be postponed in cases where an overissuance is being referred to an intentional program violation hearing or a court of appropriate jurisdiction and the food assistance office determines that collection action will prejudice the case.

- B. Food assistance offices shall initiate collection action on agency error and inadvertent household error claims by sending the household a State prescribed written demand letter for the overissuance.

The letter shall inform the household of its rights and responsibilities concerning repayment of the claim as well as providing information on the availability of free legal services. Adult members in a household that owes a claim shall be sent a demand letter. A copy of the computation showing each individual month and the reason for the claim shall be mailed by the food stamp office on a schedule that coincides with the mailing of the automated demand letter.

If the household against which collection action has been initiated for repayment of an inadvertent household or agency error claim is currently participating in the program and does not respond to the written demand letter within 10 calendar days of the date the notice is mailed, the reduction will begin with the first allotment issued 10 calendar days from the date given to respond.

If the household timely elects to have an allotment reduction, the reduction will begin with the next allotment issued. A household shall be deemed to have elected allotment reduction if it does not respond within 20 calendar days of the date the demand letter is mailed.

If the household is not participating when collection action for claim is initiated, or collection action has been initiated for repayment of a claim and no response is made to the first demand letter, additional demand letters shall be sent at reasonable intervals, such as 30 calendar days apart. The demand letters shall be sent until the household responds by paying or agreeing to pay the claim, until the criteria for suspending collection has been met, or until the food stamp office initiates either collection actions.

- C. A claim shall be considered delinquent if the claim has not been paid by the due date on the demand letter or a satisfactory payment arrangement has not been made. If a satisfactory payment arrangement has been made for the claim and the payment has not been received by the due date specified in the established repayment schedule, the claim will be considered delinquent. If no response is made to the initial demand letter, the claim shall remain delinquent until payment is received in full, a satisfactory payment agreement is negotiated, or an allotment reduction is invoked. If the delinquent claim is due to a missed payment under a repayment agreement, the claim shall remain delinquent until payment is received in full, an allotment reduction is invoked, or a new repayment schedule is negotiated.

Claims shall not be considered delinquent under the following circumstances:

1. If another claim for the same household is currently being paid, either through an installment agreement or an allotment reduction, and the food stamp office expects to begin collection on the claim once the prior claim(s) is settled; or,
2. If it is an intentional program violation (IPV) claim where collection is coordinated through the court system and the food stamp office has limited control over collection action; or,
3. If a household timely requests a fair hearing on the existence or amount of the claim and all attempts by the food stamp office to collect the claim cease.

A claim awaiting a fair hearing decision shall not be considered delinquent. If the hearing officer determines that a claim does, in fact, exist against the household, the household shall be sent another demand letter. Delinquency shall be based on the due date of this subsequent demand letter and not on the initial pre-hearing demand letter sent to the household. If the hearing officer determines that a claim does not exist, the claim is deleted from the automated system or recalculated to zero.

- D. Food stamp offices may pursue collection action against any household which has a member who

was an adult member, a sponsor, or an authorized representative of any household that received an overissuance. The claim may also be offset against restored benefits owed to any household which contains a member who was an adult member, sponsor, or authorized representative of the original household.

Under no circumstances shall the office collect more than the amount of the claim. Food stamp offices may pursue other collection actions, as appropriate, to obtain restitution of a claim against any household which fails to respond to a written demand letter for repayment of an agency error, or inadvertent household error claim. If the food stamp office chooses to pursue other collection actions and the household pays the claim, payments shall be submitted to the Colorado Department of Human Services as required by Section B-4430.6, "Submission of Payments". The food stamp office's retention of recoveries shall be based on the actual amount collected from the household through such collections actions.

E. Food stamp coupons will be accepted as full or partial payment of an agency error or inadvertent household error claim if the household chooses to use this method of repayment. Full uncanceled, undamaged coupon books received in payment shall be handled in accordance with the section, Submission of Payments.

F. Other collection actions which the food stamp office may pursue include the use of a collection agent or a civil action.

G. Offset Against Taxpayer's State Income Tax Refund

In accordance with Sections 26-2-133, and 39-21-108, C.R.S., the state and county departments may recover overpayments of public or medical assistance benefits through the offset (intercept) of a taxpayer's state income tax refund. Rent rebates are not subject to the offset procedure. This method may be used to recover overpayments which have been:

- determined by final agency action, or
- ordered by a court as restitution, or
- reduced to judgment.

Prior to certifying the taxpayer's name and other information to the Department of Revenue, the Colorado Department of Human Services shall notify the taxpayer in writing at his/her last known address that the state intends to use the tax refund offset to recover the IHE overpayment. In addition to the requirements of Section 25-2-133(2), C.R.S., the pre-offset notice shall include the name of the food stamp office claiming the overpayment, a reference to food stamps as the source of the overpayment, and the current balance owed.

Effective August 1, 1991, the taxpayer is entitled to object to the offset by filing a request for a evidentiary conference or state hearing within 30 calendar days from the date that the state department mails its pre-offset notice to the taxpayer. In all other respects, the procedures applicable to such hearings shall be those which are stated elsewhere in this staff manual. At the hearing on the offset, the county department or ALJ shall not consider whether an overpayment has occurred, but may consider issues if raised by the taxpayer in his/her request for a hearing, as follows, whether:

1. The taxpayer was properly notified of the overpayment
2. The taxpayer is the person who owes the overpayment
3. The amount of the overpayment has been paid or is incorrect

4. The debt created by the overpayment has been discharged through bankruptcy
5. Other special circumstances exist, as described in Section B-4430.23, entitled "Criteria for Suspending Collection Action of Agency Error and Inadvertent Household Error Claims" .

H. Federal Treasury Offset Program (TOP)

A delinquent claim may also be submitted to USDA/Food and Nutrition Service for the Treasury Offset Program. The claim must be past due and legally enforceable by assuring that notification and collection attempts have taken place. The Treasury Offset Program allows collection by intercepting any allowable payment from the federal government.

A delinquent claim is one which is past due more than 90 calendar days but less than 10 years. A claim is not considered delinquent if a fair hearing is pending concerning the claim. A claim is not considered delinquent if the claim has either been discharged by bankruptcy or is subject to the automatic stay of the bankruptcy.

Only one claim amount for each individual can be certified to the Food and Nutrition Service (FNS) for the intercept by the Federal Treasury Offset Program.

1. Prior to a claim being certified to the Food and Nutrition Service as a debt owed the food stamp office, the individual shall be mailed an offset notice. The notice shall provide the following information:
 - a. That the state (county) agency has documentation that the individual identified with his or her social security number (SSN) is liable for the specified unpaid balance of the claim. That the individual has been notified about the claim and prior collection efforts have been made. The claim is past due and legally enforceable. All adults are liable for the overpayment of food stamps if they were household members when the food stamps were overissued. False statements concerning such liability may subject individuals to legal action.
 - b. The Debt Collection Act of 1982, as amended by the Debt Improvement Act of 1996, authorizes federal debts over 180 days delinquent to be referred to the Treasury for an administrative offset. The state/county intends to refer the claim within 60 days of the date of the notice unless the individual makes other repayment arrangements acceptable to the state/county.

Federal payments eligible for offset include: federal income tax refunds, federal employee salary, federal retirement payments (including military), contractor or vendor payments, federal benefits (social security, railroad retirement).
 - c. Instructions on how to pay the claim, including the name, address, and telephone number of a person in the county who can discuss the claim and the intended offset with the individual.
 - d. That the individual is entitled to request a review of the proposed offset. No review of the proposed offset at the state level shall be granted for any request which is received later than 60 days after the date of notice. Claims that are currently under review will not be referred for the tax intercept.
 - e. That an individual wishing to request a review of the intercept must provide an SSN for identification purposes and provide evidence and/or documentation to support the reason for the request. Examples of documentation include: the claim has been repaid or is not delinquent as evidenced by a canceled check showing that

the agency records are wrong; or documentation demonstrates that the agency contacted the wrong individual due to a name or a social security number error.

- f. That the individual may document any other legitimate reason that the claim is not past due or legally enforceable. An example of this would be an error in establishing the claim by a misaddressed demand letter being sent.
 - g. That the individual should contact the food stamp office if he or she believes that a bankruptcy proceeding prevents collection of the claim or if the claim has been discharge in bankruptcy.
 - h. In some circumstances, the married individual may want to contact IRS before filing his/her income tax return. This is true if the individual is filing a joint return and his or her spouse is not responsible for the food stamp claim, and has income and withholding and/or estimated federal income tax payments. In such cases, the spouse may receive his or her portion of any joint return based on procedures prescribed by the IRS.
 - i. A federal employee may have his/her net disposable pay subject to garnishment under the offset. The Treasury may garnish up to 15% of the net disposable pay. A federal employee may petition for a hearing only at the federal level to dispute the existence or the amount of the claim. The hearing occurs after the review period at the state level and the subsequent submission to the Treasury as a valid offset.
2. The state review of the proposed offset will be handled by the State Office of Appeals. The Office of Appeals shall find that the claim is past due and legally enforceable unless the household can document:
- a. That the claim is not past due or was already paid, and the individual provides proof of payment such as a canceled check.
 - b. That the individual is not the person that is liable for the claim.
 - c. That a bankruptcy action prohibits collection of the claim because the automatic stay under Section 362 of the Bankruptcy Code is in effect with respect to the individual (or his or her spouse) or the claim was discharged by a bankruptcy proceeding.
 - d. There is some other reason that the claim is not past due or is not legally enforceable.
3. The decision will be issued by means of written findings regarding the review.

The written findings shall include notice to the individual who requested the review regarding the following:

- a. If the State Office of Appeals determines that the claim is past due and legally enforceable, the individual shall be notified that the claim will continue to be referred for the offset; and,
- b. The individual is entitled to have the Food and Nutrition Service (FNS) review the State Office of Appeal's decision, FNS must receive a request to do so within 30 days after the date of the state agency's notice of review decision. A request for FNS review must include the individual's SSN. The notice shall also provide the address of the regional office including

the phrase "Tax Offset Review" in the address.

- c. If the State Office of Appeals determines that the claim is not past due or legally enforceable, it shall notify the individual and the food stamp office that the claim will not be referred for the offset.
- d. If the State Office of Appeals does not issue a decision, or if FNS does not complete the review at least 30 days prior to the deadline for the agency to certify its file for offset to FNS, the individual's claim will not be referred for the offset.

B-4430.23 Criteria for Suspending Collection Action of Agency Error and Inadvertent Household Error Claims

A claim may be suspended if no collection action was initiated because of conditions specified in Section B-4430.22. A. If collection action was initiated, and at least one demand letter was sent, further collection action against an agency error claim for any non-participating household or an inadvertent household error claim for a non-participating household may be suspended when:

- A. The household cannot be located;
- B. The cost of further collection action is likely to exceed the amount that can be recovered; or,
- C. The household is determined to be financially unable to pay the claim.

The food stamp office shall document the reason for suspending collection of the agency error or inadvertent household error claim. Suspended claims may be reactivated to offset a restoration of lost benefits or to pursue collection should collection action become feasible.

B-4430.24 Terminating Collection Action of Agency Error and Inadvertent Household Error Claims

A claim may be determined uncollectible after it is held in suspense for three years. Such a terminated claim may be reactivated to offset restoration of lost benefits. However, a terminated claim shall not be reactivated to pursue collection.

A claim shall be terminated if found to be invalid by an administrative fair hearing decision or a court determination. A claim shall be terminated if all adult members are deceased and the agency is not pursuing collection from the estate. A claim that is \$25 or less and delinquent for 90 calendar days will be terminated. A claim will also be terminated if it has been delinquent for a period of three years.

B-4430.3 INTENTIONAL PROGRAM VIOLATION/FRAUD CLAIMS

A claim shall be handled as an intentional program violation/fraud claim only if an intentional program violation hearing or a court of appropriate jurisdiction has found a household member committed intentional program violation/fraud or a waiver of intentional program violation or a consent agreement has been signed. Prior to determination of intentional program violation/fraud, the claim against the household shall be handled as an inadvertent household error claim.

B-4430.31 Calculating an Intentional Program Violation/Fraud Claim

For each month that a household received an overissuance due to an act of intentional program violation/fraud, the food stamp office shall determine the correct amount of food stamp benefits, if any, the household was entitled to receive. The amount of the intentional program violation/fraud claim shall be calculated back to the month the intentional program violation occurred. However, in no event shall the amount of the claim be calculated for any period prior to six years from the date the intentional program

violation was discovered. If the household member is determined to have intentionally failed to report a change in its household's circumstances, the claim shall be established for each month in which the failure to report would have affected the household's food stamp allotment.

If the household received a larger allotment than it was entitled to receive, the food stamp office shall establish a claim against the household equal to the difference between the allotment the household received and the allotment it should have received.

For issuances after October 1, 1987, when calculating the amount of benefits the household should have received, the food stamp office shall not apply the earned income deduction to that portion of earned income which the household intentionally failed to report.

Once the amount of the intentional program violation/fraud claim is established, the food stamp office shall offset the claim against any amount of lost benefits that have not yet been restored to the household.

B-4430.32 Collecting Intentional Program Violation/Fraud Claims

- A. If a household member is found to have committed intentional program violation/fraud (through an intentional program violation hearing or court of appropriate jurisdiction) or has signed either a waiver of intentional program violation hearing or a disqualification consent agreement, the food stamp office shall initiate collection action against the individual's household. Collection action shall be initiated unless the household has already repaid the overissuance as a result of an inadvertent household error demand letter or the food stamp office has documentation which shows the household cannot be located. The food stamp office shall initiate collection action for an unpaid or partially paid claim even if collection action was previously initiated against the household while the claim was being handled as an inadvertent household error claim.

In cases where a household member was found guilty of fraud by a court of appropriate jurisdiction, the food stamp office shall request that the matter of restitution be brought before the court or addressed in the agreement reached between the prosecutor and individual.

- B. Collection action shall be initiated by sending the household and adult members a written demand letter for the overissuance, Form FS-14A (Demand Letter for Overissuance). This letter informs the household of its rights and responsibilities concerning repayment of the claim as well as providing information on the availability of free legal service.

If the household against which collection action has been initiated for the repayment of an intentional program violation/fraud claim is currently participating in the program and does not respond to the written demand letter within three business days (two days for mailing plus one business day) of the date the notice is mailed, the food stamp office shall reduce the household's food stamp allotment with the first allotment issued 10 calendar days from the date given for the household to respond. A total of 13 calendar days is actually given prior to invoking an allotment reduction.

If a household is not participating when collection action is initiated, and does not respond to the first demand letter, additional demand letters shall be sent at reasonable intervals, such as 30 days. These letters shall be sent until the household has responded by paying or agreeing to pay the claim, until the criteria for suspending collection action have been met, or until the food stamp office initiates other collection actions.

- C. Section B-4430.22, Item C, contains guidelines on when a claim is considered delinquent. The same guidelines apply for an IPV claim.
- D. The food stamp office may also pursue other collection action, as appropriate, to obtain restitution of a

claim against any household which fails to respond to a written demand letter for repayment of an intentional program violation/fraud claim. If the food stamp office chooses to pursue other collection actions and the household pays the claim, payments shall be submitted to the Colorado Department of Human Services in accordance with procedures in the section, Submission of Payments. The food stamp office's retention of recoveries shall be based on the actual amount collected from the household through such collection actions.

- E. Food stamp coupons will be accepted as full or partial payment of an intentional program violation/fraud claim if the household chooses to use this method of repayment. Full, uncanceled, undamaged coupon books received in payment shall be handled in accordance with the section, Submission of Payments.
- F. Other collection actions which the food stamp office may pursue include the use of a collection agent or a civil action.
- G. Offset against Taxpayer's State Income Tax Refund

In accordance with Sections 26-2-133 and 39-21-108, C.R.S., the state and county departments may recover overpayments of public or medical assistance benefits through the offset (intercept) of a taxpayer's state income tax refund. Rent rebates shall not be subject to the offset procedure. This method may be used to recover overpayments which have been:

- determined by final agency action, or
- ordered by a court as restitution, or
- reduced to judgment .

Prior to certifying the taxpayer's name and other information to the Department of Revenue, Colorado Department of Human Services shall notify the taxpayer in writing at his/her last known address that the state intends to use the tax refund offset to recover the IPV/fraud overpayment. In addition to the requirements of Section 26-2-133(2), C.R.S., the pre-offset notice shall include the name of the food stamp office claiming the overpayment, a reference to food stamps as the source of the overpayment, and the current balance owed.

Effective August 1, 1991, the taxpayer is entitled to object to the offset by filing a request for an evidentiary conference or state hearing within 30 calendar days from the date that the state department mails its pre-offset notice to the taxpayer. In all other respects, the procedures applicable to such hearings shall be those which are stated elsewhere in this staff manual. At the hearing on the offset, the county department or ALJ shall not consider whether an overpayment has occurred, but may consider the following issues if raised by the taxpayer in his/her request for a hearing: whether:

1. The taxpayer was properly notified of the overpayment
2. The taxpayer is the person who owes the overpayment
3. The amount of the overpayment has been paid or is incorrect
4. The debt created by the overissuance has been discharged through bankruptcy.

H. Federal Treasury Offset Program (TOP)

A delinquent IPV claim may also be submitted for a Federal Treasury Offset Program. The claim must be past due and legally enforceable.

A delinquent claim for the Federal Treasury Offset Program (TOP) is one which is past due more than 90 calendar days but less than 10 years. A delinquent claim which is based on a debt which has been reduced to final judgment by a court order may be more than 10 years past due but must be less than twenty years past due. A claim is not considered delinquent if a fair hearing is pending concerning the claim. A claim is not considered delinquent if the claim has either been discharged by bankruptcy or is subject to the automatic stay of the bankruptcy court.

The same criteria and procedures that apply for an agency claim/inadvertent household error being referred for the Federal Treasury Offset Program will apply to the IPV claim. See Section B-4430.22, entitled Collecting Agency Error and Inadvertent Household Error Claims, for the detailed procedures.

B-4430.33 Criteria for Suspending Collection Action of Intentional Program Violation/Fraud Claims

If the food stamp office can document that an individual found guilty of intentional program violation/fraud can not be located collection action shall be suspended. Collection action may be suspended on any claim which has been properly entered into the automated claim system of the Colorado automated food stamp system after six months for a non-participating household from whom no response is received. The food stamp office should be alert to other methods of pursuit of the claim, e.g., civil filing, criminal filing, collection agency, etc.

B-4430.34 Terminating Collection Action of Intentional Program Violation/Fraud Claims

A claim may be determined uncollectible after it is held in suspense for three years. Section B-4430.24 shall be applied to an intentional program violation claim.

A terminated intentional program violation/fraud claim shall not be reactivated to pursue collection. Voluntary payments from a household on a terminated claim do not reactivate the claim but shall be accepted by the food stamp office. Other collection actions which the Food Stamp office may pursue include the use of a collection agent or a civil action.

B-4430.345 CHANGES IN HOUSEHOLD COMPOSITION

Food stamp offices shall initiate collection action against any and all of the adult members, sponsors or persons connected to the household at the time an overissuance occurred. Therefore, the food stamp office may pursue collection action against any household which has a member who was an adult member, sponsor or person connected to the household that received or created an overissuance. The food stamp office may also offset restored benefits owed to any household which contains a member who was an adult member, sponsor or person connected to the household which received the overissuance. However, in no circumstance, may the food stamp office collect more than the amount of the claim.

B-4430.4 METHODS OF COLLECTING PAYMENT ON CLAIMS

The food stamp office shall collect claims in one of the following methods:

A. Lump Sum

The food stamp office shall collect payments for total or partial payments of a claim in one lump sum if the household is financially able to pay the claim; however, the household shall not be required to liquidate all of its resources to make this repayment.

B. Reduction in Food Stamp Allotment

The food stamp office shall collect payments for claims from households currently

participating in the program by reducing the household's food stamp allotments or benefits prior to being authorized under Colorado Electronic Benefits Transfer System (CO/EBTS). Prior to reduction, the food stamp office shall inform the household of the appropriate formula for determining the amount of food stamps to be recovered each month and the effect of that formula on the household's allotment (i.e., the amount of food stamps the food stamp office expects will be recovered each month), and of the availability of other methods of repayment.

If the household requests to make a lump sum cash and/or food coupon payment as full or partial payment of the claim, the food stamp office shall accept this method of payment.

The household's allotment will be reduced prior to benefits being authorized under the Colorado Electronic Benefits Transfer System (CO/EBTS) based on the recoupment amounts for each type of claim, unless a payment schedule has been negotiated with the household. One and two person households receiving a minimum \$10 allotment shall be reduced to a lower benefit level in accordance with the provisions of this section. Increase in a payment schedule may only occur with a new signed agreement from the household.

If the full or remaining amount of the claim cannot be liquidated within three years, the food stamp office may compromise the claim by reducing it to an amount that will allow the household to make restitution within three years. The full amount of the claim (including any amount compromised) may be used to offset lost benefits. The amount of food stamps to be recovered each month through allotment reduction shall be determined as follows:

1. Agency Error Claims . For agency error claims, the amount of food stamps to be recovered each month from a household shall be the greater of 10% of the household's monthly allotment or \$10 each month
2. Inadvertent Household Error Claim . For inadvertent household error claims, the amount of food stamp benefit reduction shall be the greater of 10% of the household's monthly allotment or \$10 per month.
3. Intentional Program Violation/Fraud Claims . For intentional program violation/fraud claims, the amount of food stamp benefit reduction shall be the greater of 20% of the household's monthly allotment or \$20 per month. If the allotment is \$10, it will still be used as a payment of the claim.

At the time a household is certified for an initial allotment or food stamp benefits, the initial allotment or food stamp benefits authorized under Colorado Electronic Benefits Transfer System (CO/EBTS) will not be reduced to offset a claim. Ongoing benefits will be recouped based on the above criteria. Benefits staged for expunging under CO/EBTS shall be applied to the claim to lower the amount owed.

- C. Installments . The food stamp office shall negotiate a payment schedule with the household for repayment of any amounts of the claim not repaid through a lump sum payment. Payments shall be accepted in regular installments. The household may use food stamps as full or partial payment of any installment. If the full claim or remaining amount of the claim cannot be liquidated in three years, the food stamp office may compromise the claim by reducing it to an amount that will allow the household to pay the claim in three years. The food stamp office may use the full amount of the claim (including any amount compromised) to offset lost benefits.

A household may pay all or a portion of the claim by using benefits from its EBT account. The office shall obtain written permission from the household, which will be obtained in advance, to deduct benefits from the EBT account. Any written agreement with the household to collect a claim using active EBT benefits must include:

1. A statement that this collection activity is strictly voluntary
2. The amount of the payment
3. The frequency of the payments (i.e., whether monthly or one time)
4. The length of the agreement
5. A statement that the household may revoke this agreement at any time

If the household provides oral permission, the food stamp office can make a one-time deduction from an active EBT account for a one-time reduction. The county must provide the household with a written receipt within 10 business days. The receipt shall contain the information used for an active EBT account and indicate that this is a one-time reduction.

Prior written notice must be made to the household of an existing stale EBT account that may be applied to an outstanding claim. The county shall notify the household that the benefits will be applied to the claim unless the household objects to this offset. The household must be given 10 calendar days to object before the benefits can be applied as a payment to the claim. A stale EBT account is an account that has benefits but has not been accessed for at least three (3) consecutive calendar months.

If the county food stamp office is aware of a stale EBT account, the county shall close the eligibility case at the end of the third calendar month. If a claim exists a combined notice may be sent advising the household of case closure due to non-activity and requesting approval to apply the benefits as a payment.

If the household fails to make a payment in accordance with the established repayment schedule (either a lesser amount or no payment), the food stamp office shall send the household a notice, explaining that no payment or an insufficient payment was received. The notice informs the household that it may contact the food stamp office to discuss renegotiation of the payment schedule. The notice also informs the household that unless the overdue payments are made or the food stamp office is contacted to discuss renegotiation of the payment schedule, the allotment of a currently participating household against which a claim has been established, may be reduced.

If the household responds to the notice, the food stamp office shall take one of the following actions as appropriate:

1. If the household makes the overdue payments and wishes to continue payments based on the previous schedule, permit the household to do so;
2. If the household requests renegotiation, and if the food stamp office concurs with the request, negotiate a new payment schedule. The food stamp office shall have the option to invoke allotment reduction against a currently participating household for repayment of an inadvertent household error claim or intentional program violation/fraud claim if a settlement cannot be reached.

If a currently participating household against which a claim or intentional program violation/fraud claim has been established fails to respond to the repayment reminder notice, the food stamp office shall invoke allotment reduction without further notice. Allotment reductions may be invoked if the household responds by requesting renegotiation of the amount of its repayment schedule within ten calendar days from the date the notice is mailed but the food stamp office believes that the household's economic circumstances have not changed enough to warrant the requested settlement.

The food stamp office shall ensure that the negotiated amount of any payment schedule to be repaid each month through installment payments is not less than the amount that could be recovered through an allotment reduction. Once negotiated, the amount to be repaid each month through installment payments shall remain unchanged regardless of subsequent changes in the household's monthly allotment. However, both the food stamp office and the household shall have the option to initiate renegotiation of the payment schedule if they believe that the household's economic circumstances have changes enough to warrant such action.

- D. The food stamp office shall ensure that unspecified joint collections are pro-rated among the programs involved. When an unspecified joint collection is received for a combined public assistance/food stamp recipient claim, each program must receive its pro-rated share of the amount collected. The unspecified joint collection is when funds are received in response to correspondence or a referral that contained both the food stamp and other program claims, and the debtor does not specify to which program to apply the payment.

B-4430.5 COUNTY RETENTION OF RECOVERIES

Counties may retain 20% of collections from inadvertent household error claims and 35% of collections from intentional program violation/fraud claims. However, the total amount of collections from agency error claims is retained by the U.S.D.A., Food and Nutrition Service.

B-4430.6 SUBMISSION OF PAYMENTS

The FS-209 Report (Status of Claims against Households) is utilized to reflect all claims activities during a quarter. The FS-209 is an automated report of ACTS (Automated Claims Tracking System). The report is available for review from the first of the month immediately following the end of the quarter and continues to be available through the last working day of the quarter. A consolidated final report is available to be printed by food stamp offices following the last working day of the quarter. The FS-209 reflects all the payments made during the quarter and corrections to these payments are made through the individual claims screens in the Automated Claims Tracking System.

Food stamp coupons received as a claim payment shall be recorded on Form FNS-135 (Affidavit or Return or Exchange of Food Coupons). The Form FNS-471 (Destruction of Unusable Coupon) should be used to reflect the destruction of the food stamp coupon. The food stamp payments will be reflected on line 15 of the FNS-209.

B-4430.7 QUARTERLY STATUS REPORT OF CLAIMS

This FS-209 report is automated and run quarterly even if the food stamp office has not collected any payments or other claims activities. The food stamp office shall not be required to submit Form FS-209 if the material on the automated system FS-209 is accurate and complete for that food stamp office.

B-4430.8 CLAIMS DISCHARGED THROUGH BANKRUPTCY

Food stamp offices shall act on behalf of, and as an agent of, FCS in any bankruptcy proceedings against bankrupt households owing food stamp claims. Food stamp offices shall possess any rights priorities liens

and privileges and shall participate in any distribution of assets, to the same extent as FCS. Acting as FCS, food stamp offices shall have the power and authority to file objections to discharge proof of claims, exceptions to discharge, petition for revocation of discharge, and any other documents, motions, or objections which FCS might have filed. Any amounts collected under this authority shall be transmitted to the Food Assistance Programs Division as provided in the section entitled, "Submission of Payments.

B-4430.9 INTERSTATE CLAIMS COLLECTION

In cases where a household moves out of the state, the food stamp office that last handled the case involving a claim should initiate or continue collection action against the household for any overissuance that occurred while the household was under that food stamp office's jurisdiction. Counties may transfer a claim to another state or Colorado county department if the other state or Colorado county department accepts the transfer. Counties are not obligated to accept the transfer of a claim from another state or Colorado county department, but have the option of accepting the claim and pursuing collection on that claim. Counties that accept the transfer of a claim shall pursue collection activities and retain appropriate incentives for the collection.

B-4600 FOOD STAMP ISSUANCE AND ACCOUNTABILITY

Food stamp offices shall establish issuance and accountability systems to comply with these regulations and to ensure that only certified eligible households receive benefits, that coupons are accepted, stored and protected after delivery to receiving points, that benefits are timely distributed in the correct amounts, and that coupon issuance and reconciliation are properly conducted and accurately reported.

Electronic benefits issuance will be handled through the Colorado Department of Human Services, Food Assistance Programs Division, and at designated contractor sites through the Colorado Electronic Benefit Transfer System (CO/EBTS).

B-4610 RESPONSIBILITIES OF CERTIFICATION UNITS

Certification functions include determining eligibility for a household and ensuring that the eligibility is current and accurate. Eligibility shall be updated and maintained through the use of documents such as Client Records (FS-3B).

It shall be the responsibility of the certification unit to complete all documents which authorize the issuance of benefits on the Colorado Automated Food Stamp Systems (CAFSS). Data entry of authorizing documents may be completed by either the certification unit or a separate data entry unit, but not by the issuance unit.

B-4611 SEPARATION OF CERTIFICATION AND ISSUANCE UNITS

Food stamp offices shall assure a separation of certification functions from issuance functions and thereby provide for internal controls and prevention of fraud.

B-4611.1 WAIVER FROM CERTIFICATION AND ISSUANCE SEPARATION

If food stamp offices cannot accomplish a separation of issuance and certification duties, a written request for a waiver must be submitted to the Food Assistance Programs Division. Approval for one person to perform both functions will be granted only if it is infeasible to utilize a portion of the time of employees who perform other duties in the department. One-person approval will also require designation of a person who shall:

- reconcile and verify issuance transactions biweekly.
- perform bimonthly second-party review of food stamp certifications.

The Food Assistance Programs Division must annually review justification for continued approval of combined functions.

B-4612 IDENTIFICATION CARDS

Certification units of food stamp offices shall issue an identification (ID) card or a Colorado Electronic Benefits Transfer System (CO/EBTS) debit card to each certified household as proof of program eligibility. On request, the household, or the authorized representative, shall present the household's ID card or a Colorado Electronic Benefits Transfer System (CO/EBTS) debit card at issuance points, retail outlets or meal services in order to transact the allotment authorization or when exchanging benefits for eligible food. The household member or members whose names appear on the ID card shall sign the coupon books issued to the household.

All ID cards or debit cards shall be issued in the name of the household member who is authorized to receive the household's issuance. The ID card shall contain space for the name and signature of the household member to whom the coupon allotment is to be issued and for any authorized representatives designated by the household. Any person listed on the ID card shall sign the ID card before that person can use it to obtain benefits. If the household does not name an authorized representative, the food stamp office shall void that area of the ID card to prevent names and signatures being entered at a later date. A separate electronic debit card will be issued to authorized representatives.

Food stamp offices shall limit issuance of ID cards to the time of initial certification, with replacements made only in instances of loss, mutilation, destruction, changes in the person authorized to obtain coupons, or when the office determines that new ID cards are needed. Whenever possible, the office shall collect the ID card that it is replacing.

The issuance unit must be notified of a replacement ID card to assure that only the most recently issued household ID card is accepted for coupon issuance.

B-4612.1 Specially marked ID cards shall be issued in the following circumstances:

- Eligible household members 60 years of age or over or members who are housebound, physically handicapped, or otherwise disabled to the extent that they are unable to adequately prepare all their meals, and their spouses, may use coupons to purchase meals prepared for and delivered to them by a nonprofit meal delivery service authorized by USDA/FCS. Any household eligible for and interested in using delivered meal services shall have its ID card marked with the letter M.
- Eligible household members 60 years of age or over and their spouses may use coupons issued to them to purchase meals prepared especially for them at communal dining facilities authorized by USDA/FCS for that purpose. Any household eligible for and interested in using communal dining facilities in those project areas where restaurants are not authorized to accept food stamps, must have such IDs marked with the letters CD by the food stamp office.

B-4612.2 Homeless households shall have an ID card marked with the code CD to allow these households access to prepared meals from approved restaurants. Blank ID cards shall be kept in secure storage with access limited to authorized personnel only.

B-4620 AUTHORIZED REPRESENTATIVES

The head of household, spouse or any other responsible member of the household may designate an authorized representative to act on behalf of the household in making application for the Food Stamp Program, in obtaining benefits and/or in using benefits at authorized retailers.

An authorized representative may be designated to obtain coupons. The designation shall be made at the time the application is completed and any authorized representative shall be named on the ID card. The authorized representative for coupon issuance may be the same individual designated to make application for the household or may be another individual. Even if a household member is able to make application and obtain benefits, the household should be encouraged to name an authorized representative for obtaining coupons in case of illness or other circumstances which might result in an inability to obtain benefits.

B-4621 EMERGENCY AUTHORIZED REPRESENTATIVE

Food stamp offices shall develop a system by which a household may designate an emergency authorized representative to obtain the household's benefits for a particular month. At a minimum, the method developed shall require that a household member whose signature is on the household's ID card sign a designation authorizing the emergency representative to receive the household's benefits and attesting to the validity of the emergency representative's signature which must also be on the designation. Households shall not be required to travel to a food stamp office to execute the designation.

B-4622 DESIGNATING AUTHORIZED REPRESENTATIVES

Food stamp offices shall ensure that authorized representatives are properly designated. The name of the authorized representative shall be contained in the household's casefile. Limits shall not be placed on the number of households an authorized representative may represent. In the event employers, such as those that employ migrant or seasonal farm workers, are designated as authorized representatives or that a single authorized representative has access to a large number of authorization documents or coupons, food stamp offices should exercise caution to assure that each household has freely requested the assistance of the authorized representative, the household's circumstances are correctly represented, the household is receiving the correct amount of benefits and that the authorized representative is properly using the benefits.

B-4623 WHO CANNOT BE AN AUTHORIZED REPRESENTATIVE

B-4623.1 Food stamp office employees who are involved in the eligibility determination and/or issuance processes and employees of authorized retailers and meal services that are authorized to accept food coupons shall not be authorized representatives unless the county/district office determines that no other representative is available.

B-4623.2 An individual disqualified for intentional program violation (IPV)/fraud shall not be an authorized representative during the period of disqualification unless the individual is the only adult in the household, and the office is unable to arrange for another authorized representative. Food stamp offices shall determine whether these disqualified individuals are needed to apply on behalf of the household, to obtain coupons for the household, and to use the household's coupons to purchase food. Meal providers for the homeless cannot be authorized representatives.

B-4624 OTHERS WHO CAN BE AUTHORIZED REPRESENTATIVES

B-4624.1 In the event the only adult living with a household is classified as a nonhousehold member, that individual may be the authorized representative for the minor household members.

B-4624.2 Drug or alcohol treatment centers shall receive and spend the food stamp benefits for food prepared by and served to the residents of the center who are participating in the Food Stamp Program.

B-4624.3 The head of a group living arrangement which acts as the authorized representative for the residents may either receive and spend the residents' benefits for food prepared by and served to each eligible resident or allow each resident to spend all or any portion of the benefits on his or

her own behalf.

B-4625 DISQUALIFICATION OF AN AUTHORIZED REPRESENTATIVE

B-4625.1 An authorized or emergency representative may be disqualified from representing a household in the Food Stamp Program for up to one year if the food stamp office has obtained evidence that the representative has misrepresented a household's circumstances and has knowingly provided false information pertaining to the household, or has made improper use of coupons. The food stamp office shall send written notification to the affected household and to the representative 30 days prior to the date of disqualification. The notification shall include the proposed action, the reason for the proposed action, the household's right to request a fair hearing, the telephone number of the office, and, if possible, the name of the person to contact for additional information.

B-4625.2 This provision is not applicable in the case of drug and alcohol treatment centers or to the heads of group living arrangements which act as authorized representatives for their residents. However, drug and alcohol treatment centers and the heads of group living arrangements that act as authorized representatives for their residents, and which intentionally misrepresent households' circumstances, may be prosecuted under applicable State fraud statutes for their acts.

B-4630 OPPORTUNITY TO PARTICIPATE

CAFSS online issuance system permits coupon issuance to eligible households through over-the-counter transactions and/or the mail issuance of coupon allotments. The Colorado Electronic Benefits Transfer System (CO/EBTS) will allow electronic debiting of benefits. Every household must be informed of the coupon issuance accommodations that are available.

Food stamp offices must provide an adequate number of issuance locations and hours of operation to allow all eligible households to receive their coupon entitlement or electronic debit cards.

B-4631 PROVIDING BENEFITS TO PARTICIPANTS

Food stamp offices are responsible for the timely and accurate issuance of benefits to certified eligible households in accordance with these rules. Those households comprised of elderly or disabled members which have difficulty reaching issuance offices, and households which do not reside in a permanent dwelling or have a fixed mailing address, and those in remote, rural areas shall be given assistance in obtaining their regular monthly benefits. Food stamp offices shall assist these households by arranging for the mail issuance of coupons to them, by assisting them in finding authorized representatives who can act on their behalf, or by using other appropriate means.

B-4632 NEWLY CERTIFIED HOUSEHOLDS

All newly certified households, except those that are given expedited service, shall be given an opportunity to receive benefits/electronic debit card no later than 30 calendar days following the date the application was filed. An opportunity to participate consists of providing households with coupons, authorization documents, or electronic debit card and having issuance facilities open and available for the households to obtain their benefits. Food stamp offices must mail coupons in time to assure that the coupons are received before the 30-day processing standard expires. A household has not been provided an opportunity to participate within the 30-day processing standard if benefits are mailed on the 29th or 30th day. Neither has an opportunity to participate been provided if Form FS-4 or Form FS-4A (Notice of Action) is mailed on the 28th day but no issuance facility is open on the 30th day.

Households which apply for initial month's benefits after the 15th day of the month, that fulfill eligibility requirements, and are determined eligible to receive benefits for the initial month of application and the next subsequent month, shall receive their prorated allotment for the initial month of application and their

first full month's allotment at the same time.

Newly certified households that are given expedited services and provide all verification shall have benefits provided by coupons being mailed no later than the end of the fifth calendar day or have coupons available for pick up no later than the close of business on the seventh calendar day after application.

Expedited households applying for initial benefits after the 15th of the month for which verification has been postponed shall be entitled to a combined first and second months' benefits in the same timeframes as above. The postponed verification has to be provided prior to the third calendar month.

B-4633 ONGOING HOUSEHOLDS

All households shall be placed on an issuance schedule so that they receive their benefits on or about the same date each month. The date on which a household receives its initial allotment after certification need not be the date that the household must receive any subsequent allotments.

Food stamp offices may stagger the issuance of benefits to households throughout the entire month. In doing so, however, the office shall not allow more than 40 calendar days to elapse between any two issuances provided to a household. Food stamp offices that use direct mail issuance shall stagger issuances over at least 10 days of the issuance month and may stagger issuances over the entire issuance month.

When a participating household is transferred from one issuance procedure to another, that would result in more than 40 calendar days elapsing between issuances of benefits, food stamp offices may divide the first issuance under the new procedure into two parts, with one part issued within the 40-calendar-day limit, and the second part, or supplemental issuance, issued on the established issuance date of the new procedure. The supplemental issuance cannot provide the household more benefits than the household is entitled to receive.

Notwithstanding the above provisions, in months in which benefits have been suspended as a result of actions taken by USDA/FCS, food stamp offices may stagger issuance to certified households following the end of the suspension. In such situations, offices may, at their option, stagger issuance from the date issuance resumes through the end of the month or over a five-day period following the resumption of issuance, even if this results in benefits being issued after the end of the month in which the suspension occurred.

B-4634 PERIOD OF INTENDED USE

An eligible household shall have an opportunity to receive its benefits prior to the end of the period of intended use. The period of intended use is defined as the month in which benefits are issued. For households certified after the 20th of the month, the period of intended use is the balance of the month for which benefits are authorized through the last day of the following month.

Eligible households which receive food coupons through over-the-counter issuance must pick up their food coupons in the months they are intended. If an over-the-counter household does not pick up its food coupons in the months for which they are intended, the household shall lose entitlement to that month's allotment.

A household certified for program participation after the 20th of the month shall have an opportunity to obtain its benefits for the month of certification until the end of the following month. A household that applies for initial benefits after the 15th of the month, provides all verification and is eligible for the current and subsequent month will have coupons available through the end of the subsequent month.

Households shall be notified on form FS-4/FS-4A (Notice of Action) of the requirement that food coupons be picked up during the period of intended use, which includes through the last day of the following month

for households certified after the 20th of the month or those households who applied after the 15th of the month for initial benefits and provided all required verification.

A household certified under expedited service regulations shall be mailed coupons no later than the end of the third calendar day or have coupons available for client pick-up no later than the close of business on the seventh calendar day after application.

B-4640 COUPONS AS OBLIGATIONS OF THE UNITED STATES; CRIMES AND OFFENSES

Pursuant to Section 15(d) of the Food Stamp Act, coupons are an obligation of the United States within the meaning of 18 United States Code (USC) 8. The provisions of Title 18 of the United States Code, "Crimes and Criminal Procedure, Relative to Counterfeiting, Misuse and Alteration of Obligations of the United States" are applicable to coupons.

B-4641 PENALTIES

Any unauthorized issuance, use, transfer, acquisition, alteration, possession, or presentation of coupons may subject an individual, partnership, corporation, or other legal entity to prosecution.

B-4650 LIABILITY FOR COUPONS

Food stamp offices are financially liable for all food coupons received, for ensuring that adequate storage facilities are utilized and that strict security measures are practiced in issuance offices. Food stamp offices shall be responsible to USDA/FCS for the face value of any coupon losses as a result of thefts, embezzlements, . cashier error, coupons lost in natural disasters (where reasonable evidence is not sufficient as to whether coupons were destroyed or redeemed), issuances not supported by required documentation, issuances made to households not currently certified, issuances lost during an official investigation (unless the investigation was reported directly to USDA/FCS prior to the loss), and for any unexplained causes. Food stamp offices will be relieved of liability for coupons determined by USDA/FCS to have been recovered or destroyed prior to redemption.

B-4651 INSURANCE REQUIREMENTS

B-4651.1 SELF-INSURANCE

The state funds the self-insurance coverage. It is not necessary for counties to maintain individual insurance policies for food stamp issuance liabilities listed below.

The self-insurance coverage includes:

- Loss due to burglary or robbery of food coupons from storage locations or offices where food coupons are being issued to recipients.
- Loss due to robbery of food coupons from food stamp office personnel while transporting food coupons from issuance, storage, or to a U.S. Postal Service facility.

For insurance coverage, food stamp offices shall continue to observe precautions to prevent the loss of food coupons during business hours, in storage and in transit. See section titled SECURITY PROCEDURES. All losses are to be immediately reported to the Food Assistance Programs Division.

B-4651.2 BONDING REQUIREMENTS

The county director position is covered for \$10,000 by a blanket state policy. All other employees having access to food coupons must be bonded in the amount of \$10,000 each. County insurance and bonding premiums are paid from the County Social Services Administration account.

B-4652 CONTRACTOR LIABILITY

Whenever a food stamp office contracts with a private vendor to assume issuance functions, there must be a written agreement between the parties identifying liability as well as insurance and bonding responsibilities.

B-4653 SECURITY PROCEDURES

The coupon issuance area shall be physically separated (cage, counter, railing, etc.) from both recipients and other employees of the office who are not responsible for coupon issuance and accountability. Persons not specifically responsible for coupon accountability shall also be barred from coupon storage area.

Food stamp offices (including contract issuers) shall take all precautions necessary to avoid acceptance, transfer, negotiation, or use of counterfeit coupons and to avoid any unauthorized use, transfer, acquisition, alteration or possession of coupons. Coupons shall be safeguarded from theft, embezzlement, loss, damage or destruction.

Issuance supervisors shall give each cashier a daily coupon supply from the bulk coupon inventory. On high volume issuance days, the cashier's supply may need to be replenished during issuance hours from an office vault. Such a vault containing bulk coupon inventory shall remain locked unless opened to withdraw coupons. Keys and lock combinations shall be controlled and restricted to as few individuals as possible. Combinations and locks should be changed whenever an individual who has received them leaves the employ of the office.

Coupons must be removed from public view and reach. It is required that each cashier operate from a coupon drawer rather than from sources on top of the counter. The coupons must be locked in the drawer whenever the cashier leaves the issuance area for any reason. In small offices where it is not possible for each cashier to have a separate coupon supply, coupons shall be counted whenever one cashier assumes duties of another cashier at the issuance counter, and transferred to that cashier's responsibility.

The office shall never be left unattended during hours of issuance; for instance, during breaks or lunch, unless the building is secured as it would be after business hours.

B-4653.1 TYPES OF PREVENTION OF THEFT

.11 Burglary

Bulk coupon supplies shall be stored in a secure facility, preferably a bank or courthouse vault. If possible, all coupons should be returned daily to the secure storage facility. If coupons must be kept in the issuance office overnight, the amount shall be strictly limited to a one- or two-day supply.

If coupons are being stored in the office overnight, doors and windows which could afford access to the building shall be secured. Doors shall be equipped with double-cylinder dead bolt locks or locks of equivalent security. Any glass in doors and windows shall be barred or otherwise protected against breakage. Doors connecting with other offices or buildings shall be locked as securely as exterior doors. All doors and windows shall be checked to make certain they are locked before closing the office.

Issuance office coupon supplies shall be kept in a safe rather than a desk or file cabinet. The safe shall be immovable and in a part of the office not visible to the outside.

.12 Robbery

To minimize the temptation for robbery, the amount of coupons in the issuance office shall be limited to a one- or two-day supply. The cashier's supply shall be out of public view and issued from a cashier's drawer out of reach of clients.

The county social services director or office supervisor will inform local law enforcement officials of the issuing office operation and advise them of the maximum amounts of coupons handled.

If coupons are returned to the bank at the end of the day and/or coupon mailings are delivered to the post office by issuance personnel, an escort shall be provided. Coupon deposits shall not be made by only one person, especially at night.

Offices which use itinerant issuance points shall take additional precautions to protect coupons in transit and during issuance. An escort shall be provided to and from the itinerant point and shall be present during issuance hours.

.13 Embezzlement

To prevent embezzlement, there shall be a division of issuance responsibilities. See section titled SEPARATION OF CERTIFICATION AND ISSUANCE UNITS. The supervisor must verify issuance records and resolve or document any discrepancies in daily reconciliation.

At a minimum, supervisory personnel must take a monthly physical count of all coupons in the bulk coupon storage points and coupons in each cashier's working stock. The end-of-the-month physical inventory must be accomplished after the close of business on the last issuance day of the reporting month or prior to the opening of business on the first issuance day of the following month. The actual inventory count is reported on Form FNS-250 (Food Coupon Accountability Report). The supervisor must verify the accuracy of the FNS-250 report.

B-4653.2 SECURITY PROGRAM

The goal of a security program is to safeguard issuance personnel, food coupons and other valuables. In the event of a robbery, a planned security program will prevent panic which could endanger the lives of the people in the office.

A major element in an effective security program is the designation of a security officer who would continually review office facilities and procedures to improve office security and deter loss. S/he shall acquaint fellow employees with the security measures including precautions during issuance, night security and safety of persons and coupons while they are in transit between the issuance office and bulk storage area.

In addition to a security officer, each office shall distribute written instructions to all employees concerning appropriate behavior in the event of a robbery attempt and procedures for reporting the theft to law authorities and the Food Assistance Programs Division.

B-4654 REPORTING A ROBBERY OR BURGLARY

The local law enforcement agency shall be notified immediately by one of the persons who has been designated to carry out this responsibility. The Food Assistance Programs Division shall also be notified immediately and will be responsible for informing USDA/FCS.

The office shall be protected to ensure that evidence is not destroyed. Any articles touched by the robbers (papers, furniture, counter tops) should not be touched by employees or other persons until law enforcement officers arrive.

The names of persons other than employees in the office at the time of the robbery shall be obtained if

they insist on leaving prior to the arrival of law enforcement officers.

Each employee shall write down all pertinent information about the robbery. They should be told it is important to record their own impressions and observations prior to any discussion of them with other employees.

After law enforcement officers have made their examinations and with their approval, an immediate reconciliation of coupons shall be made to determine the amount of any loss. (Stolen coupon books will be identified by serial numbers.)

B-4660 COUPON REQUISITION

Issuance units shall maintain coupon inventory at proper levels as determined by volume of issuance, availability of adequate storage facilities and insurance coverage. Coupon inventory levels shall not exceed a six-month supply, including coupons on hand and those on order.

The security of issuance offices shall be continually monitored to ensure that adequate safeguards and insurance coverage are provided for the maximum value of coupon inventory on hand.

Arrangements have been made for food stamp issuance offices with sufficient issuance volume to receive shipments of food coupon books directly from USDA/FCS. Offices with low issuance volume will receive coupon shipments from the Food Assistance Programs Division storage vault by fully insured registered mail.

It is advised that offices which receive direct shipments should check coupons after monthly reconciliation and order coupons according to USDA/FCS instructions. USDA/FCS will assess the reasonableness of food coupon requisitions based on prior inventory change. The requisitioning office will be notified prior to any adjustment made to requisitions.

Those offices which receive their coupon supply from the Food Assistance Programs Division storage vault shall requisition coupons in accordance with the instructions submitted from the Food Assistance Programs Division. The instructions will advise of procedures for ordering from the contractual provider. It is suggested that such offices reorder coupons when current supply reaches a two-month supply.

B-4661 (Reserved for future use)

B-4662 DESIGNATED PERSONNEL AND RECEIVING LOCATIONS

Food stamp offices ordering food coupons shall designate at least two persons who are authorized to receive coupon shipments. The Food Assistance Programs Division shall be notified by letter of the following:

- Names of authorized personnel
- Complete address of coupon receiving location
- Hours in which coupon delivery will be accepted

To facilitate ease of coupon delivery, promptly notify the Food Assistance Programs Division of any changes in personnel or delivery accommodations within 30 days of change.

B-4662.1 VERIFICATION OF SHIPMENTS

Issuance offices and bulk storage points shall promptly verify and acknowledge, in writing the contents of coupon shipments received and shall be responsive for the control and storage of coupon

Cartons of coupons are usually numbered consecutively for each type of book, and serial numbers should be verified on receipt of shipment. The receiving agent shall assure that the indicated number of cartons are received before signing the receipt form.

B-4662.2 RECEIPT OF COUPONS FROM USDA, FOOD AND NUTRITION SERVICE

When a shipment of coupons is received from USDA/FCS, an original and three copies of Form FNS 261 (Advice of Shipment) are mailed to the consignee. If the shipment is in order, the receiving agent shall complete Form FNS 261. See Forms Handbook for completing and disposition instructions.

If the shipment is not in order, immediately notify the Food Assistance Programs Division. The receiving agent will then be instructed to annotate Form FNS 261, describing the coupon discrepancy or damaged condition of the coupon books. Form FNS 261 must be signed, dated and submitted in the normal manner.

B-4662.3 RECEIPT OF COUPONS FROM STATE OFFICE

When a shipment is received from the Food Assistance Programs Division, Form FNS 300 (Advice of Transfer) is mailed to the consignee in the original and three copies.

If the shipment is in order, the original and all copies of Form FNS-300 are signed and dated by the receiving agent. See Forms Handbook for disposition instructions.

If the shipment is not in order, immediately notify the Food Assistance Programs Division.

B-4662.4 INVENTORY RECORDS

A record of all coupon shipments shall be maintained by the issuance supervisor on Form FS 13 (Coupon Book Inventory Record). See Forms Handbook. There must be a separate Form FS-13 for each coupon denomination in the bulk inventory, listed by serial number. Form FS 13 shall be annotated as coupon books are withdrawn in numerical sequence and assigned to the cashiers for daily issuance.

Each cashier shall maintain a daily inventory of his/her coupon supply on Form FS 10. The cashier's end of the day inventory is verified by actual count of coupons on hand.

Supervisory personnel shall verify all coupons in bulk inventory (FS-13) and cashier's supply (FS-10) by an actual physical count of coupons on the last day of the issuance month for accurate entry on Form FNS-250 (Food Coupon Accountability Report).

B-4663 ESTABLISHING A CLAIM FOR SHORTAGE/OVERAGE OF FOOD COUPON BOOKS IN SHIPMENT

Prior to issuance, each carton and box of coupon books shall be examined. When there is a shortage or overage of food coupons, Form FNS-471 must be completed and signed by two witnesses.

In the case of a shortage, show the amount of shortage on Line 13 of Form FNS-250 as credits.

In the case of an overage, show the amount on Line 9 of Form FNS-250 (Shipments Received from USDA/FCS) regardless of where shipment originated.

B-4664 IMPROPERLY MANUFACTURED OR MUTILATED COUPON BOOKS IN SHIPMENT

If coupon books are improperly manufactured or mutilated, Form FNS-471 shall be completed. The coupons are cancelled immediately and destroyed at the end of the month in accordance with section titled DESTRUCTION OF UNUSABLE COUPONS RETURNED BY HOUSEHOLDS. The books are shown as "credits to" on line 13 of Form FNS-250.

If one or more boxes of coupons were improperly manufactured, food stamp offices shall contact the Food Assistance Programs Division. The Division will contact USDA/FCS on the instructions for disposition of the destructible coupons. Coupons must be destroyed within 30 days from the close of the month in which the coupons were received.

For disposition of mutilated books or coupons returned by recipients, refer to section titled DESTRUCTION OF UNUSABLE COUPONS RETURNED BY HOUSEHOLDS.

B-4665 OUT-OF-SEQUENCE COUPON BOOK SERIAL NUMBERS.

There will be occasional instances where a book will be substituted for a book damaged in manufacturing. Out-of-sequence serial numbered books in the box present no problem as long as the correct number of books are contained in the box, and shall be issued in the normal manner.

B-4666 COUPON ISSUANCE AND STORAGE FACILITIES

Issuance locations shall be established by every food stamp office to accomplish the issuance of coupons to certified food stamp households.

The Food Assistance Programs Division shall be notified of all issuance locations and coupon shipment receiving points created, changed or terminated at least 30 days prior to effective date of action.

B-4666.1 CONTRACTING OR DELEGATING ISSUANCE RESPONSIBILITIES

Food stamp offices may legally contract with other parties such as banks, savings and loan associations, the U.S. Postal Service, community action and migrant service agencies, and other commercial businesses, the responsibility of issuance and storage of food coupons. Contractors may be permitted to subcontract assigned issuance responsibilities with the approval of the food stamp office.

Any delegation of issuance and coupon security must clearly delineate the responsibilities of both parties. Food stamp offices remain responsible regardless of any agreements to the contrary for ensuring that assigned duties are carried out in accordance with the regulations. Food stamp offices are still liable to USDA/FCS for all losses of coupons regardless of the actual responsibility for duties.

B-4666.2 CONTRACTUAL NONCOMPLIANCE

If an issuance office/agent or bulk storage point is being closed for noncompliance with contractual agreements, food stamp offices shall perform weekly reconciliation until alternative issuance or storage points are obtained.

B-4666.3 MONITORING OF COUPON ISSUERS

The Food Assistance Programs Division shall conduct an onsite review of each coupon issuer and bulk storage point at least once every three years. All offices or units of a coupon issuer are subject to this review requirement. The Food Assistance Programs Division shall base each review on the specific activities performed by each coupon issuer or bulk storage point. A physical inventory of coupons shall be taken at each location, and count compared with perpetual inventory records and the monthly reports of the coupon issuer or bulk storage point. This review may be conducted at branch sites as well as the main offices of each issuer and bulk storage point that operates in more than one office.

B-4666.4 TERMINATION AUDIT

Whenever an issuance office or bulk storage point is terminated, the Food Assistance Programs Division will complete a closeout accountability audit within 30 days of the termination. The findings of the audit shall be forwarded to USDA/FCS immediately. The Food Assistance Programs Division shall perform an

actual count of coupons on hand and transfer the inventory to another issuance office or bulk storage point preferably within the same project area. The actual inventory and transfer shall be properly documented and reported on Form FNS-250.

B-4666.5 RECIPIENT NOTIFICATION

At least 30 days prior to closure of an issuance location, food stamp program participants shall be notified of the impending closure. Notification shall include alternative issuance locations and information concerning available public transportation. A notice of closure shall also be prominently displayed in the issuance office.

All necessary action shall be taken to maintain participant service without interruption.

B-4666.6 TRANSFER REQUISITION BETWEEN COUNTIES

The transfer of coupons between project areas is allowed only in emergency situations and only when authorized by the Food Assistance Programs Division.

The transferring office initiates Form FNS-300, retains copy 4 and forwards all other parts to the receiving office with coupon shipment. On verification of shipment, Form FNS-300 is dated and signed by the receiving office and copy 3 is returned to the transferring office. The counties involved in "transferring out" and "transferring in" must properly document the transaction on Form FNS-250 submitted at the end of the month. The receiving office will transmit Form FNS-300 original and copy 1 in accordance with Forms Handbook.

B-4670 RESPONSIBILITIES OF ISSUANCE UNITS

Issuance offices are responsible for the timely and accurate issuance of coupons to eligible participant households. An approved accountability and coupon delivery system shall be established to ensure that eligibility information is data entered, that CAFSS has an issuance available, and only certified households receive coupon benefits.

B-4671 DIVISION OF COUPON ISSUANCE RESPONSIBILITIES

Over-the-counter and mail issuance responsibilities shall be divided between a cashier and another issuance employee.

It is not always feasible for the duties of the cashier to be performed by separate employees because of a low issuance volume at an issuance location. Therefore, any county that can justify deviation from the requirement, and is willing to assume the additional risk, may obtain permission for one-person issuance through written request to the Food Assistance Programs Division. Refer to section titled SEPARATION OF CERTIFICATION AND ISSUANCE UNITS.

If mail issuance functions are performed by only one person, a second-party review shall be necessary to:

- Verify coupon inventory each day.
- ? **Reconcile the number of certified household who were issued coupons and the number of mailings prepared on a biweekly basis.**

B-4671.1 CASHIER RESPONSIBILITY

The cashier requests Form FS-5 (Identification Card) from the over-the-counter participant and compares the names on the IC card with the household names or authorized representative. For mail issuance the participant does not present an ID card for comparison.

When satisfied with the identification of the participant (not necessary for mail issuance) the cashier shall enter the issuance information and authorized coupon allotment on the appropriate automated authorized screen on CAFSS. The cashier will also post Form FS-52 (Daily Issuance Log) or Form FS-11 (Daily Tally Sheet of Individual Transactions) if either is used by the issuance office to record household participation.

The cashier may enter any remarks, (such as serial numbers) concerning coupons to be issued on either Form FS-52 or Form FS-11. For the over-the-counter issuances the cashier shall also obtain the participant's signature on Form FS-52 (Daily Issuance Log) and compare the signature with that on the ID card to assure that the signatures agree. For mail issuance, there is no participant signature required. The cashier enters the date that coupons are mailed on Form FS-52 or Form FS-11.

B-4672 ISSUANCE OF COUPONS

The cashier shall issue the authorized coupon allotment in denominations specified in accordance with the automated issuance screen on CAFSS. Deviation from the prescribed denominations is allowed only if the coupon books are unavailable. Blind and visually handicapped persons may request that all coupons be of one denomination.

In very rare cases, allotments may have a value of \$1, \$3, or \$5. Since coupon books cannot be issued in these values, food stamp offices shall authorize an issuance for the next higher coupon book value so that a whole book may be issued.

Recipients who have no fixed address (homeless) and residents of shelters for battered women and children which are not authorized by USDA/FCS to redeem through wholesalers can request that all or part of their coupons be of the \$1 denomination. Offices are authorized to grant this request when feasible.

Homeless food stamp households may use food coupons for meals prepared for and served by an authorized provider (for example, soup kitchen or temporary shelter) that feeds homeless persons.

The cashier shall issue from her/his own coupon supply, whenever possible. Coupon books shall be issued in consecutive serial numbers starting with the lowest serial number in each coupon book denomination. The participant should be cautioned to examine and sign all coupon books on receipt.

B-4673 ISSUANCE ACCOUNTABILITY

The cashier shall use Form FS-10 (Daily Report of Books Issued) each issuance day to record his/her beginning coupon book inventory, to show amount of coupon books received to replenish cashier's coupon supply, to show returns to inventory, and to enter the total amount of coupons on hand by physical count at the end of the issuance-day.

The cashier's actual issuance totals must be reconciled with Form FS-52, Form FS-11 or other authorizing documents each issuance day.

B-4674 ISSUANCE RECONCILIATION

Coupons shall be maintained in a secure location with access limited to authorized personnel. The issuance supervisor shall establish proper tracking and accounting methods to replenish each cashier's coupon issuance supply as needed.

In all issuance systems, coupon issuers shall reconcile their issuance daily using daily tally sheets, cashiers' daily reports, tapes or printouts.

The daily total of issuances is recorded for printouts by CAFSS, and shall also be reconciled with the cashiers' daily total of actual issuance of coupons determined by physical count. Any unresolved

discrepancy must be verified daily and documented as an overissuance or underissuance on the cashiers' Form FS-10.

B-4675 ISSUANCE AGREEMENT BETWEEN COUNTIES

It is possible for an issuance unit in one county office to issue food coupons to an eligible household which resides in another county in Colorado. Such an agreement between the parties shall be consummated through completion of Form FS-17.

A household must apply for the Food Stamp Program in the county of residence. If the household is determined eligible for participation, it may request and be designated to receive food coupons from an issuance office that is more accessible. In such a case, a copy of the household's notice of eligibility must be sent to the specified issuance office to enable data entry of household information into CAFSS, and authorize the subsequent issuance of coupons.

B-4676 ISSUANCE SYSTEMS

All issuance systems shall maintain a composite of data for all certified households and provide complete information on participating households for review sampling purposes, statistical summary and reporting requirements.

The Colorado Automated Food Stamp System (CAFSS) is a direct-access system that allows online issuance access to the Master Issuance File. CAFSS provides for both the online issuance system and direct mail issuance system. CAFSS User's Guide provides detailed instructions for over-the-counter and mail issuance.

B-4677 ISSUANCE RECORD RETENTION AND FORMS SECURITY

The food stamp office shall maintain issuance and reconciliation records for a period of three years from the month of origination. This period may be extended with the written approval of USDA/FCS.

Issuance and reconciliation records shall include, at a minimum, reports regarding Notices of Action, Notices of Change, inventory record, Forms FNS-250, FNS-259, FNS-46 and substantiating documents, cashiers' daily reports, cashiers' daily tally sheets, master issuance files, the records for issuance for each month and any rosters or lists produced by CAFSS.

In lieu of the records themselves, easily retrievable microfilm, microfiche, or computer tapes which contain the required information may be maintained.

B-4678 CONTROL OF ISSUANCE DOCUMENTS

Food stamp offices shall control all issuance documents which establish household eligibility while the documents are transferred and processed within the food stamp office. The office shall use numbers, batching, inventory control tags, or similar controls from the point of initial receipt through the issuance and reconciliation process.

All Notices of Action which initiate or terminate the Master Issuance file and blank ID cards shall have access limited to authorized personnel.

B-4680 ISSUANCE METHODS

The issuance office may mail coupon allotments to all eligible households or establish over-the-counter issuance with optional mail issuance at the request of the household. Certified households must be issued coupons by the end of the month, except when benefits are suspended, cancelled or reduced. Public assistance households may receive their coupon allotment with the mailing of their regular public

assistance check.

If benefits have been suspended, and the food stamp office receives a directive to resume issuance of benefits, the issuance of mailed or over-the-counter coupons will be staggered through the end of the month or over a five-day period following the resumption of issuance. This could result in benefits being issued after the end of the month in which the suspension occurred.

B-4681 EXCLUSIVE MAIL ISSUANCE

Food stamp offices which rely exclusively on mail issuance shall ensure that participants receive allotments on a timely basis and eligible households, either destitute of income or with no income, receive expedited issuance in accordance with the section titled 'Expedited Service'.

B-4681.1 OPTIONAL MAIL ISSUANCE

When over-the-counter and mail issuance are offered, a household must request mail issuance by completing Form FS-21 (Mail Issuance Request). Form FS-21 should be given to each household at the time it receives its notice of eligibility. See Form FS-21 (Mail Order Request) in the Forms Handbook for instructions.

The household is responsible for notifying the food stamp office, in writing, to:

- Report address changes
- Discontinue mail issuance

CAFSS prevents a participant from obtaining coupons through both the mail and over-the-counter issuance.

B-4682 PREVENTION OF MAIL ISSUANCE LOSSES

All coupons shall be mailed as first class mail, in sturdy non-forwarding envelopes.

To minimize mail theft exposure mail issuances shall be staggered provided that each household will likely receive its coupon allotment on the same day every month.

Issuance offices shall consult with appropriate postal officials concerning the schedule for mailing coupons and the approximate volume and value of the mailings and the type of envelopes used. Issuance offices shall maintain liaison with postal personnel to facilitate prompt and safe delivery of coupons to households.

B-4683 LIABILITY FOR COUPONS LOST IN THE MAIL

USDA/FCS will assume financial liability for all property issued coupons lost in the mail except losses in excess of .30% of the state total quarterly mail issuance loss.

Each county office that has a mail loss during a quarter will be assessed a percentage of the state total penalty when a penalty is assessed against the State by the USDA/FCS.

B-4690 REPLACEMENT ISSUANCES TO HOUSEHOLDS

Food stamp offices shall provide a replacement issuance to a household when the household reports that:

- Its coupons were not received in the mail, were stolen from the mail, were destroyed in a

household misfortune, or were improperly manufactured or mutilated.

- Food purchased with food coupons was destroyed in a household misfortune, such as, but not limited to, a fire, flood or power outage.
- It received a partial coupon allotment.

B-4690.1 EXCEPTIONS TO REPLACEMENTS

Food stamp offices shall not provide replacement issuances to households when coupons are lost, stolen or misplaced after receipt, or when coupons sent by registered or certified mail are signed for by anyone residing with or visiting the household. In addition, replacement issuances shall not be made if the household or its authorized representative has not signed and returned the household statement of non-receipt.

Where USDA/FCS has issued a disaster declaration and the household is eligible for disaster food stamp benefits, the household shall not receive both the disaster allotment and a replacement allotment for a misfortune.

B-4691 NONCOUNTABLE REPLACEMENTS

In order for a replacement to be considered non-countable, the replacement must not result in a loss to the Program.

Replacement issuances shall be provided only if a household timely reports a loss orally or in writing, and provides a statement of non-receipt if the allotment has not been returned to the office at the time of the request for replacement. The report will be considered timely if it is made to the office within 10 days of the date coupons, or food purchased with food coupons, are destroyed in a household misfortune, in mail issuance, the report must be made within the period of intended use, unless the original issuance was made after the 20th of the month, in which case, the period of intended use is the last day of the next month.

B-4692 AUTHORIZED NUMBER OF REPLACEMENT ISSUANCES

The number of replacement issuances which a household may receive shall be limited as follows:

- ? Food stamp offices shall limit replacement issuances to a total of two countable replacements in six months for coupons not received in, or stolen from the mail; and partial coupon allotments. However, no limit shall be put on the number of replacements of partial allotments if the partial allotments were due to agency error. Separate limits shall not apply for each of these types of losses.
- Food stamp offices shall limit replacement issuances per household to two countable replacements in six months for coupons reported as destroyed in a household misfortune. This limit is in addition to the limit placed on replacements for mail losses.
- No limit on the number of replacements shall be placed on the replacement of coupons which were improperly manufactured or mutilated or food purchased with food stamp benefits which were destroyed in a household misfortune.
- The replacement issuance shall not be considered a countable replacement if the original or replacement issuance is returned or otherwise recouped by food stamp offices, or the replacement is being issued due to a food stamp office issuance error.

Replacement issuances shall be provided in the amount of the loss to the household, up to a maximum of

one month's allotment, unless the issuance includes restored benefits which shall be replaced up to their full value.

If the household has already been issued the maximum allowable number of countable replacements, subsequent replacements shall be delayed until the office has verified that the original issuance was returned.

The food stamp office shall deny or delay replacement issuances in cases in which available documentation indicates that the household's request for replacement appears to be fraudulent.

When a food stamp office intends to deny or delay a replacement of coupons for any of the above reasons, the cashier must notify the certification unit. The certification unit shall then notify the household of the delay or denial through use of the Form FS-4 (Notice of Action).

The household shall be informed of its right to a fair hearing to contest the denial or delay of a replacement issuance. Replacement shall not be made while the denial or delay is being appealed.

B-4693 REPLACING ISSUANCES LOST IN THE MAIL OR STOLEN PRIOR TO RECEIPT BY THE HOUSEHOLD

Food stamp offices shall comply with the following procedures in replacing issuances reported lost in the mail or stolen from the mail prior to receipt by the household.

- Determine if the coupons were validly issued, if they were actually mailed, if sufficient time has elapsed for delivery or if they were returned in the mail. If a delivery of a partial allotment is reported, the office shall determine the value of the coupons not delivered and determine whether the report of receipt of a partial allotment is corroborated by evidence that the coupon loss was due to damage in the mail before delivery or by a discrepancy in the issuance unit's inventory.
- ? Determine, to the extent possible, the validity of the request for a replacement, this includes determining whether the original issuance has been returned to the office and, if so, whether the address has been updated.
- Issue a replacement in accordance with procedures set forth in the section titled FS-19, 'Affidavit of Lost Coupons'.
- Place the household on an alternate delivery system, if warranted.
- Take other action, such as correcting the address on the master issuance file if warranted by the reported non-delivery.

B-4694 REPLACING ISSUANCES AFTER RECEIPT BY THE HOUSEHOLD

On receiving a request for replacement of an issuance reported as stolen or destroyed after receipt by the household, the office shall determine if the issuance was validly issued.

- Prior to replacing destroyed coupons, or destroyed food that was purchased with food stamp benefits, food stamp offices shall determine that the destruction occurred in a household misfortune or disaster, such as, but not limited to, a fire, flood or power outage. This shall be verified through a collateral contact, documentation from a community agency including, but not limited to, the fire department or the Red Cross, or a home visit. The office shall provide replacements of coupons, or food in the actual amount of the loss, but not exceeding one month's allotment, unless the issuance includes restored benefits which shall be replaced up to their face value .

- Households cannot receive a replacement for coupons lost or stolen after receipt
- Coupons received by a household, and subsequently mutilated or found to be improperly manufactured shall be replaced in the amount of the loss to the household. Food stamp offices shall replace mutilated coupons when three fifths of a coupon is presented by the household. Food stamp offices shall examine the improperly manufactured or mutilated coupons to determine the validity of the claim and the amount of coupons to be replaced.

If the value of the improperly manufactured or mutilated coupons can be determined, food stamp offices shall replace the unusable coupons in a dollar-for-dollar exchange. After exchanging the coupons and completing Form FNS-135 (Affidavit of Return or Exchange of Food Coupons) food stamp offices shall destroy the coupons.

If the food stamp office cannot determine the value of the improperly manufactured or mutilated coupons, the office shall cancel the coupons by writing or stamping "cancelled" across the face of the coupons, and forward the coupons to the Food Assistance Programs Division.

B-4694.1 FS-19 (AFFIDAVIT OF LOST COUPONS) HOUSEHOLD STATEMENT OF NONRECEIPT

Prior to issuing a replacement, the food stamp office shall obtain from a member of the household a signed statement attesting to the household's loss. This statement shall not be required if the reason for the replacement is that the original coupons were improperly manufactured or mutilated, or if the original issuance has already been returned. Form FS-19 (Household Statement of Nonreceipt) may be mailed to the household if the household member is unable to come into the office because of age, handicap or distance from the office and is unable to appoint an authorized representative.

If the Form FS-19 affidavit is not received by the food stamp office within 10 days of the date of report, no replacement shall be made. If the 10th day falls on a weekend or holiday, and the statement is received the day after the weekend or holiday, the office shall consider the statement timely received.

The statement shall be retained in the case record. It shall attest to the non-receipt, theft, loss or destruction of the original issuance and specify the reason for the replacement. It shall also state that if the original issuance is recovered by the household, it must be returned to the office, and that the household is aware of the penalties for intentional misrepresentation of the facts, including, but not limited to, a charge of perjury for a false claim.

In addition, the statement shall advise the household that the household may request to be placed on an alternate issuance system after one report of non-receipt. The statement shall also state that after two reports in a six-month period of loss or then prior to receipt, the household shall be placed on an alternate issuance system. After two reports in a six-month period of loss or theft prior to receipt, the food stamp office may delay or deny further replacements for such causes until they are placed on an alternate system. If the statement of non-receipt is not signed and returned within 10 days of the date the loss was reported, the food stamp office shall not replace the coupons.

B-4694.2 TIME LIMITS FOR REPLACEMENTS

Replacement issuances shall be provided to households within 10 calendar days after report of non-delivery or loss (15 days if issuance was by certified or registered mail) or within two working days of receiving the signed household statement, whichever date is later.

When a request for replacement is made late in an issuance month the replacement will be issued in a month subsequent to the month in which the original allotment was issued. All replacements shall be posted and reconciled to the month of issuance of the replacement.

Replacement of mutilated coupons shall be delayed until a determination of the value of the coupons can

be made. See section entitled Mutilated Food Coupon Books.

B-4694.3 ALTERNATE ISSUANCE SYSTEM FOR A HOUSEHOLD

Food stamp offices shall offer to place a household in an alternate issuance system after the first report of non-receipt, or when circumstances exist that indicate that the household may not receive its benefits through the normal issuance system, such as when a household has a history of reported non-receipt of coupons. After two requests for replacement of coupons reported as non-delivered in a six-month period, food stamp offices will issue benefits to that household under an alternate issuance system.

Food stamp offices shall keep the household on the alternate issuance system for the length of time that the office determines to be necessary. The food stamp offices may return the household to the regular issuance system if the office finds that the circumstances leading to the loss have changed and the risk of loss has lessened. The placement of a household on an alternate issuance system and the length of time the household is on this system is not subject to the fair hearing process.

B-4695 DOCUMENTATION AND RECONCILIATION OF REPLACEMENT ISSUANCES

County offices shall document in the household's case file each request for replacement as well as the date, the reason, and whether or not the replacement is countable.

County offices shall maintain, in readily identifiable form, a record of the replacements granted to the household the reason, the month, and whether the replacement was countable. The record may be a case action sheet maintained in the case file, notations on the master issuance file, if readily accessible, or a document maintained solely for this purpose. At a minimum, the system shall be able to identify and differentiate among the following:

- Coupons not received, or stolen, from the mail.
- Replacement issuances which are not subject to a replacement limit

B-4695.1 FURTHER ACTION ON REPLACEMENT ISSUANCES

On at least a monthly basis, county offices shall report to the appropriate office of the Postal Inspection Service all coupons reported as stolen or lost in the mail. The office shall assist the Postal Inspection Service during any investigation thereof.

B-4696 ACCOUNTING FOR REPLACEMENT OF COUPONS LOST IN THE MAIL

The replacement of the lost mail issuance is not a new transaction on the authorizing document. Therefore, the replacement issuance will result in an overissuance of coupons which will be shown on Form FS-10. The completed Form FS-19 is attached to Form FS-10, as documentary explanation of the coupon overissuance.

On Form FNS-250 at the end of the month, the mail issuance replacement will be included as coupons actually issued which will not reflect an amount other than the amount of coupons authorized to be issued. USDA/FCS will allow credit for countable replacement issuances within tolerance limits properly shown on Form FNS-259 (Food Stamp Mail Issuance Report) which provides accurate mail issuance and mail loss information for each issuance office.

B-4697 RETURN OF UNDELIVERED COUPONS IN MONTH OF REPLACEMENT

In the event that the original coupon allotments are returned to the issuance office during the same month that replacement is made, the coupons are counted as actual books on hand and shown on Form FS-10. at the end of the day. The resultant coupon underissuance is explained by a notation of mail issuance

return.

As the underissuance will offset the overissuance shown on the previous Form FS-10 for the month, there will be no issuance difference shown on the monthly Form FNS-250.

B-4697.1 RETURN OF UNDELIVERED COUPONS IN THE MONTH AFTER REPLACEMENT

Coupons returned in a month subsequent to the mail issuance replacement will be shown as “books received today” on Form FS-10 and as “returned to inventory” on Form FNS-250. There will be no resultant coupon overissuance or underissuance.

B-4697.2 RETURN OF UNDELIVERED COUPONS THAT WERE NOT REPLACED

The Postal Service should be notified of the return of coupon allotments which were previously reported as lost in the mail. Undelivered coupons shall be returned to the issuance office. Each office receiving undelivered coupons shall maintain a non-delivery listing by household name and case number showing amount of returned undeliverable allotments, date of receipt, and their final disposition. All returned coupons shall be kept in secure storage while attempts are made to locate the household.

The receiving office shall also check for a replacement issuance made prior to the return of the undelivered books. If a replacement has been made, follow the procedure in section titled “Return of Undelivered Coupons in Month of Replacement” .

B-4698 MUTILATED FOOD COUPON BOOKS

Food coupon books that have been accidentally damaged may be returned to the issuance office for replacement. If full replacement is requested, check to be sure that all coupons are in the books. No replacement will be made for the coupons that were used before the damage occurred.

Mutilated coupons within coupon books may be exchanged for usable coupon books of the same value. Replacement will not be made when less than three fifths of a coupon is present.

If coupons are accidentally detached from the coupon book, replacement should not be necessary because loose coupons will be accepted by grocery stores, if the holder has the coupon book cover from which coupons were extracted.

B-4698.1 OLD SERIES COUPON EXCHANGE

Households which have old series (no longer issued) coupons shall be entitled to a dollar-for-dollar exchange of old series coupons for current series coupons. Households in possession of old series coupons shall submit the coupons and a request for exchange to county offices. Offices may make direct exchange to claimant or request USDA/FCS to make the exchange. Forms FNS-471 and FNS-135 shall be completed by the office as appropriate.

B-4698.2 DETERMINING REPLACEMENT VALUE OF UNUSABLE COUPONS

If the county office is able to determine the value of improperly manufactured, mutilated, or old series coupons, the office will replace the coupons with an equal value of new coupons. However, if an old series 50-cent coupon is returned, it will be replaced with a new series S1 coupon.

If the issuance office cannot determine the value of improperly manufactured or mutilated coupons, the issuance office shall void the returned coupons by writing or stamping “cancelled” across the face of the coupons and mail them to the Food Assistance Programs Division. The coupons will then be forwarded to USDA/FCS for value determination by the Bureau of Engraving and Printing.

B-4698.3 ACCOUNTABILITY FOR REPLACEMENT ISSUANCE

Form FNS-135 (Affidavit for Return or Exchange of Food Coupons) is used to record the value of returned coupons and value of replacement coupons taken from inventory. The authorized issuance on the day of coupon replacement is supported by copy 1 (white) of Form FNS-135 attached to the daily Form FS-10. There should be no resultant coupon overissuance.

B-4700 INVENTORY VERIFICATION

The issuance supervisor is responsible for taking a physical count of coupons on hand after the last issuance day of the month. There must be an actual count of all coupons in bulk storage facilities and in each cashier's working coupon stock in order to validate coupon inventories reported on Form FS-13 and Form FNS-250.

B-4701 COUPON RESPONSIBILITY AND LIABILITY

County offices shall be liable to USDA/FCS for the face value of my coupon losses that occur as a result of thefts, embezzlements, cashier error, coupons lost in natural disasters where reasonable evidence is not sufficient to determine whether coupons were destroyed or redeemed, issuances were not supported by required documentation, issuances were made to households not currently certified, coupons were lost during an official investigation, unless the investigation was reported directly to USDA/FCS prior to the loss and unexplained causes. The county offices shall not be liable for the value of coupons issued for those duplicate issuances in the correct amount that are the result of authorized replacement issuances. The county office will be relieved of liability for coupons determined by USDA/FCS to have been recovered or destroyed prior to redemption.

B-4702 INVENTORY REPORTING TO FOOD ASSISTANCE PROGRAMS DIVISION

Form FNS-250 (Food Coupon Accountability Report) shall be executed monthly by coupon issuers and bulk storage points, and shall be signed by the coupon issuer or appropriate official, certifying that the information is true and correct to the best of that person's knowledge and belief.

FNS-250 is an automated report available through CAFSS and needs to be data entered by the 15th of the month (refer to CAFSS User's Guide).

B-4702.1 OTHER ADDITIONAL DOCUMENTATION

Supporting documentation to Form FNS-250 (Food Coupon Accountability Report) shall be submitted to the Food Assistance Programs Division which will verify the monthly report. Documentation shall consist of documents supporting coupon shipments (FNS-261), coupon transfers (FNS-300), and destruction of coupons (FNS-135 and FNS-471).

B-4703 STATE MONTHLY COUPON ACCOUNTABILITY

The Food Assistance Programs Division shall establish an accounting system to review Form FNS-250 completed by all county offices and determine the propriety and reasonableness of coupon inventories, issuance activities and reconciliation records. All records of coupon requisition, coupon receipt, returned mail issuances, replacements of mail losses or improperly manufactured or mutilated coupons as well as the supporting remarks and documentation for monthly coupon overissuance and underissuance shall be used by the Division to assure the accuracy of monthly reports.

B-4704 FORM FNS-259, FOOD STAMP MAIL ISSUANCE REPORT

Form FNS-259 reports shall be submitted by food stamp offices for each unit using a mail issuance system. Food stamp offices shall submit Form FNS-259 reports so that they are received by the 15th day-

following the end of each month.

All mail issuance activity, including the value of mail issuance replacements, shall be reported. Original allotments (first benefits issued for a particular month to an ongoing household) subsequently recovered by the issuance office during the current month shall be returned to inventory and noted on the mail issuance log or entered into CAFSS. When the original allotment is returned to inventory and the replacement issuance is issued during the current month (month in which original benefits are issued) the replacement shall not be reported.

B-4705 ISSUANCE RECONCILIATION REPORTING

Form FNS-46 (Issuance Reconciliation Report) shall be submitted by each food stamp office operating an issuance system. The report shall be prepared at the level where the actual reconciliation of the record-for-issuance and master file occurs.

Food stamp offices shall identify and report the number and value of all issuances which do not reconcile with the record-for-issuance and master issuance file.

In addition to the above requirement, food stamp offices will continue to reconcile inventory levels against issuances each month on Form FNS-250 (Food Stamp Accountability Report) and attach Form FNS-259 (Food Stamp Mail Issuance Report) for reconciliation.

B-4708 - B-4709 (None)

B-4710 DESTRUCTION OF UNUSABLE COUPONS RETURNED BY HOUSEHOLDS

Unusable coupons shall be destroyed by the county office provided:

- Destruction is accomplished by burning, shredding or tearing to render coupons nonnegotiable, and
- Two persons witness the coupon destruction

Form FNS-471 (Coupon Account and Destruction Report) shall be completed and signed by the required witnesses and mailed to the Food Assistance Programs Division.

Form FNS-135 (Affidavit for Return or Exchange of Food Coupons) completed for the return of unusable coupons by clients or for claims payments and Form FNS-471 completed on destruction of unusable coupons improperly manufactured or mutilated coupons in shipments are supporting documents for necessary coupon destruction.

County offices must report the destruction of improperly manufactured or mutilated coupons on Form FNS-471 (Coupon Account and Destruction Report) and submit it with Form FNS-250 for the appropriate month. For coupons received from recipients, the original copy of Form FNS-135 must be attached to a copy of Form FNS-471 and retained in the office for future review and audit purposes. The destruction of coupons received from claims collections that are the result of payment of household claims must be reported on Form FNS-471. See Forms Handbook for distribution instructions.

Form FNS-135 will act as a receipt on exchange of unusable coupons returned by clients or coupons returned for claim payments.

B-4711 UNDEUVERABLE OR RETURNED BENEFITS

County offices shall exercise the following security and controls for coupons that are undeliverable or returned during the valid issuance period. Forms FNS-471 and FNS-135 shall be completed by the office

as appropriate.

Coupons which are in book form, complete, and with original and unsigned covers shall be returned to inventory and noted as such on the issuance log and Form FNS-250.

B-4712 COUPONS RETURNED BECAUSE OF VOLUNTARY TERMINATION OR DEATH

Coupons will be accounted for on Form FNS-135 (Affidavit for Return or Exchange of Food Coupons) and destroyed under procedures pertaining to Form FNS-471 (Coupon Account and Destruction Report).

A copy of Form FNS-135 will be retained in the household's case file for audit purposes.

B-4720 STATE COUPON ISSUANCE AND PARTICIPATION REPORTING

The Food Assistance Programs Division shall make estimations with data from CAFSS for Form FNS-388 (Coupon Issuance and Participation Estimates).

B-4730 REDEMPTION OF COUPONS

As the Food Stamp Program is a national program, coupons issued to eligible households may be used for the purchase of eligible food in every state.

B-4731 RETAIL STORES

Coupons received by an eligible household may be used at any time by the household or other persons whom the household selects to purchase eligible food for the household. Eligible food means:

- Any food or food product intended for human consumption except alcoholic beverages, tobacco, and hot food and hot food products prepared for immediate consumption.
- Seeds and plants to grow foods for the personal consumption by eligible households.

Coupons should be presented only to retailers authorized by USDA/FCS to accept food coupon payment for food purchases. The retailer may ask to see the household's food stamp ID card before accepting the food coupons.

Uncancelled and unendorsed coupons of \$1 denomination may be presented as payment for eligible food. All other detached coupons may be accepted only if accompanied by the coupon book which bears the same serial number as the detached coupons.

B-4732 FOOD STAMP CHANGE FROM PURCHASE

For purposes of making change, an authorized retailer or meal provider for homeless persons shall use uncanceled and unmarked one-dollar coupons which were previously accepted for eligible food. Private establishments (restaurants) which are approved by the state and PCS shall return change, if an amount of less than one dollar is required, in cash. However, in the case of meal providers for homeless persons, neither cash change nor credit slip shall be provided.

B-4733 RETAILER AUTHORIZATION

Retailers must be authorized by USDA/FNS to be eligible to accept food stamps for eligible food purchases.

All FNS-authorized retailers must comply with USDA/FNS regulations regarding acceptance and deposit of food coupons.

B-4740 DINING FACILITIES

Households with special circumstances, such as being handicapped, elderly, or center residents, may be authorized to use food coupons to buy food from authorized communal dining facilities, meals on wheels, drug or alcohol treatment and rehabilitation centers and shelters for battered women and children.

Homeless households may also use coupons to purchase prepared meals from approved restaurants.

See certification manual for information regarding households facility to participate in a dining facility program and the proper annotation required on the household's ID card.

B-4750 FOOD COUPON ISSUANCE FOR BATTERED WOMEN IN SHELTERS

Residents of shelters for battered women and children shall have the option of receiving their entire allotment in \$1 denominations.

B-4760 HOMELESS MEAL PROVIDER: PUBLIC OR PRIVATE NONPROFIT

Homeless food stamp households may use food coupons for meals prepared for and served by an authorized provider (for example, soup kitchen or temporary shelter) that feeds homeless persons. Homeless households residing in such shelters or making use of a meal provider for homeless persons shall have the option of receiving their entire allotment in \$1 denominations.

B-4800 COLORADO ELECTRONIC BENEFIT TRANSFER SYSTEM (CO/EBTS)

Colorado Electronic Benefit Transfer System (CO/EBTS) will provide access through the use of a plastic debit card to recipients of food assistance and public assistance programs. The overall rules for CO/EBTS are in the Special Projects Staff Manual, Section 12.100 (12 CCR 2512-2).

B-4800.1 CARD/PIN ISSUANCE ACCOUNTABILITY

- A. The county department of social services will establish procedures for issuance of CO/EBTS debit cards and personal identification numbers (PINS). The household will be issued a debit card within six days for expedited cases and within 30 calendar days for non-expedited cases.
- B. The county department of social services will maintain debit cards on site at its primary location and satellite offices. The EBTS contractor will provide counties with an initial supply of sequentially numbered cards with pre-embossed primary account numbers. County departments must reorder cards to ensure an adequate supply at all times.

The cards will be secured and accounted for through appropriate inventory and distribution forms.

- C. The household PIN will be issued through encryption devices supplied by the Colorado Department of Human Services, Food Assistance Programs Division.

B-4800.2 CO/EBTS PROCESSING

Eligibility determinations in the Colorado Automated Food Stamp System (CARSS) will be processed nightly to make food stamp benefits available the following day for initial certification. Ongoing cases will have benefits posted during a 10 calendar day cycle with the Social Security Number (SSN) as the basis. The ending number of the SSN will indicate the date for the posting of benefits. An SSN ending with 1 will be posted on the first day of the month, 2 on the second day of the month, etc.

During the implementation stages of CO/EBTS, counties that are issuing coupons will verify the amount of EBTS benefits from the previous county when a household is moving into the county. The food stamp

benefits available through EBTS will be converted to coupons by the gaining county.

B-4800.3 CASH CONVERSION

Households that are moving out of state will have benefits converted to cash and made available through an automated teller machine (ATM) within Colorado or in any other state to which the household is moving.

B-4800.4 CARD REPLACEMENT

- A. CO/EBTS debit cards for eligible recipients will be replaced when reported lost, stolen, or non-functioning. Replacement of cards will occur within three working days of notification by the recipient.
- B. County departments of social services may have replacement cards over the counter or through a transmission to the CO/EBTS contractor requesting mail issuance. County departments may charge recipients \$2 for each over-the-counter card replacement. County departments shall not charge a fee if the replacement is issued by mail or the original card is inoperable due to no fault of the cardholder. County departments shall not charge a fee if the client is being recertified, and if, during the period of nonparticipation, the client has destroyed, lost or damaged the original card.
- C. County departments shall not collect replacement fees by debiting a recipient's food stamp account.

Editor's Notes

History

Sections SB&P, R-4010, R-4011, R-4100, R-4220, R-4222, R-4223, R-4224, R-4225, R-4230, R-4242 emer. rule eff. 10/01/2008.

Sections SB&P, R-4010, R-4011, R-4100, R-4220, R-4222, R-4223, R-4224, R-4225, R-4230, R-4242 eff. 12/01/2008.

Sections SB&P, 4010.11, 4230 emer. rule eff. 04/01/2009; expired eff. 06/06/2009.

Sections SB&P, 4010.11, 4230 eff. 07/01/2009.

Sections SB&P, B-4242, B-4242.1, B-4242.12, B-4242.13 eff. 03/02/2010.

Sections SB&P, B-4011.1 – 4011.11, B-4011.131 – B-4011.136, B-4011.22 – B-4011.3, B-4220 – B-4220.12, B-4224, B-4230.1, B-4242.11 – B-4242.13, B-4430.2 – B-4430.22(B) eff. 02/01/2011.

Sections SB&P, B-4222.8, B-4223, B-4225.7.A.17 emer. rule eff. 06/10/2011.