

Title of Proposed Rule: Food Assistance FFY18 Standard Utility Allowance Updates and Cost of Living Adjustments

CDHS Tracking #: 17-07-21-01

Office, Division, & Program: Rule Author:  
OES, FEA, Food Assistance Karen Dyke

Phone: 303-866-2538  
E-Mail: karen.dyke@state.co.us

### STATEMENT OF BASIS AND PURPOSE

#### Summary of the basis and purpose for new rule or rule change.

Explain why the rule or rule change is necessary and what the program hopes to accomplish through this rule.

The United States Department of Agriculture, Food and Nutrition Service annually evaluates Federal income poverty guidelines and cost of living increases to determine appropriate adjustments to income eligibility standards, benefit allotments, and deductions for the upcoming Federal Fiscal Year. The modified figures are typically made available to states during the month of August immediately preceding the next fiscal year.

An emergency rule-making (which waives the initial Administrative Procedure Act noticing requirements) is necessary:

- to comply with state/federal law and/or  
 to preserve public health, safety and welfare

Justification for emergency:

Each year, FNS disseminates the new standards to states for use in the upcoming federal fiscal year. The COLA adjustments will not be made available until August 2017. Additionally, work participation requirements for SNAP recipients are also changing effective October 1, 2017 and must be redefined in rule.

#### State Board Authority for Rule:

Code	Description
26-1-107, C.R.S. (2015)	State Board to promulgate rules
26-1-109, C.R.S. (2015)	State department rules to coordinate with federal programs
26-1-111, C.R.S. (2015)	State department to promulgate rules for public assistance and welfare activities.

**Program Authority for Rule:** Give federal and/or state citations and a summary of the language authorizing the rule-making function AND authority.

Code	Description
26-2-301 (2017), C.R.S.	Designates the Colorado Department of Human Services as the responsible agency to administer the Food Assistance Program in the State of Colorado.
26-2-302 (2017), C.R.S.	Prohibits any interference that would prevent the Colorado Department of Human Services from complying with federal mandates prescribed under the federal "Food Stamp Act" as amended.
Agricultural Act of 2014 (Public Law 113-79)	Federal program authority
7 CFR 273.7(e)	Employment and training programs. Work registrants not otherwise exempted by the State agency are subject to the E&T program participation requirements imposed by the State agency. Such individuals are referred to in this section as E&T mandatory participants. Requirements may vary among participants. Failure to comply without good cause with the requirements imposed by the State agency will result in disqualification as specified in paragraph (f)(2) of this section.

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7 CFR 273.8(b)	Outlines resource standards
7 CFR 273.9(a)	Outlines the income eligibility thresholds
7 CFR 273.9(d)(1)(i)	Outlines the standard deduction
7 CFR 273.9(d)(6)(iii)	Outlines the standard utility allowances
7 CFR 273.10(e)(4)(i)	Outlines the maximum food assistance allotment levels
7 CFR 273.10(e)(2)(ii)(c)	Outlines the minimum food assistance allotment levels for eligible one and two person households
7 CFR 273.12(e)	Outlines mass changes
7 CFR 273.9(D)(6)(ii)	Outlines the maximum shelter deduction

Does the rule incorporate material by reference?

 Yes

 No

Does this rule repeat language found in statute?

 Yes

 No

If yes, please explain.

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## REGULATORY ANALYSIS

### 1. List of groups impacted by this rule.

*Which groups of persons will benefit, bear the burdens or be adversely impacted by this rule?*

Increases to income eligibility thresholds, standard deductions, and allowable shelter expenses will benefit all Food Assistance applicants and participants.

Small reductions in the minimum and maximum allotment sizes may adversely impact households who are eligible for the guaranteed one or two person household minimum allotment or who are eligible for a full allotment. Because these changes are federally prescribed and are considered “mass changes,” the State does not have any flexibility amend these values or incorporate stakeholder/advocacy feedback.

### 2. Describe the qualitative and quantitative impact.

*How will this rule-making impact those groups listed above? How many people will be impacted? What are the short-term and long-term consequences of this rule?*

Adjustments to the four-tiered standard utility allowance (SUA), standard deduction, and the income threshold guidelines have the potential to increase current benefit amounts for participants and increase program accessibility for future applicants. Some Food Assistance participants who are eligible for the guaranteed minimum allotment or who are eligible for a full benefit allotment per their household size may experience a small decrease in their benefit amount as a result of these new values. Households with some countable income and ongoing shelter expenses typically receive benefit allotments above the minimum guaranteed allotment and below the maximum allotment and will likely experience an increase in their monthly benefit as a result of this cost of living update.

### 3. Fiscal Impact

*For each of the categories listed below explain the distribution of dollars; please identify the costs, revenues, matches or any changes in the distribution of funds even if such change has a total zero effect for any entity that falls within the category. If this rule-making requires one of the categories listed below to devote resources without receiving additional funding, please explain why the rule-making is required and what consultation has occurred with those who will need to devote resources. **Answer should NEVER be just “no impact” answer should include “no impact because....”***

State Fiscal Impact (Identify all state agencies with a fiscal impact, including any Colorado Benefits Management System (CBMS) change request costs required to implement this rule change)

There is no impact because the costs associated with the Colorado Benefits Management System to incorporate these changes have already been allocated in the system maintenance budget.

County Fiscal Impact

There are no county fiscal impacts associated with this rule change.

Federal Fiscal Impact

There are no federal fiscal impacts associated with this rule change.

Other Fiscal Impact (such as providers, local governments, etc.)

There are no other fiscal impacts associated with this rule change.

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#### 4. Data Description

*List and explain any data, such as studies, federal announcements, or questionnaires, which were relied upon when developing this rule?*

Federal memorandums from the Food and Nutrition Services as well as data from the Consumer Price Index for all Urban Consumers were used in the development of this rule.

#### 5. Alternatives to this Rule-making

*Describe any alternatives that were seriously considered. Are there any less costly or less intrusive ways to accomplish the purpose(s) of this rule? Explain why the program chose this rule-making rather than taking no action or using another alternative. Answer should NEVER be just "no alternative" answer should include "no alternative because..."*

As this is a Federal mandate, there are no available alternatives that exist to incorporate these program changes state-wide.

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**OVERVIEW OF PROPOSED RULE**

Compare and/or contrast the content of the current regulation and the proposed change.

Rule section Number	Issue	Old Language	New Language or Response	Reason / Example / Best Practice	Public Comment No / Detail																																																
4.100	Inaccurate age range for work registrants	“Work Registrant” means an individual age sixteen (16) to fifty (50) who is required to participate in a monthly work activity, unless considered otherwise exempt.	<p>“Mandatory Work Registrant” means an individual age sixteen (16) to sixty (60) who has not met any Federal exemptions from SNAP work requirements and is therefore required to register for work or be registered by the State agency.</p> <p>“Voluntary work registrant” means an individual who chooses to participate in the program and is not mandated to participate by the State or Federal regulations.</p>	This incorporates new language from the current Employment First rule change package providing a correction to the age range for a work registrant.																																																	
4.207.3,C	Outdated information	<table border="1"> <thead> <tr> <th>Household Size</th> <th>Maximum Monthly Allotment Effective October 1, 2016</th> </tr> </thead> <tbody> <tr><td>1</td><td>\$194</td></tr> <tr><td>2</td><td>\$357</td></tr> <tr><td>3</td><td>\$511</td></tr> <tr><td>4</td><td>\$649</td></tr> <tr><td>5</td><td>\$771</td></tr> <tr><td>6</td><td>\$925</td></tr> <tr><td>7</td><td>\$1,022</td></tr> <tr><td>8</td><td>\$1,169</td></tr> <tr><td>Each Additional Person</td><td>+\$146</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Household Size</th> <th>Minimum Monthly Allotment Effective October 1, 2016</th> </tr> </thead> <tbody> <tr><td>1-2</td><td>\$16</td></tr> </tbody> </table>	Household Size	Maximum Monthly Allotment Effective October 1, 2016	1	\$194	2	\$357	3	\$511	4	\$649	5	\$771	6	\$925	7	\$1,022	8	\$1,169	Each Additional Person	+\$146	Household Size	Minimum Monthly Allotment Effective October 1, 2016	1-2	\$16	<table border="1"> <thead> <tr> <th>Household Size</th> <th>Maximum Monthly Allotment Effective October 1, 2017</th> </tr> </thead> <tbody> <tr><td>1</td><td>\$192</td></tr> <tr><td>2</td><td>\$352</td></tr> <tr><td>3</td><td>\$504</td></tr> <tr><td>4</td><td>\$640</td></tr> <tr><td>5</td><td>\$760</td></tr> <tr><td>6</td><td>\$913</td></tr> <tr><td>7</td><td>\$1,009</td></tr> <tr><td>8</td><td>\$1,153</td></tr> <tr><td>Each Additional Person</td><td>+\$144</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Household Size</th> <th>Minimum Monthly Allotment Effective October 1, 2017</th> </tr> </thead> <tbody> <tr><td>1-2</td><td>\$15</td></tr> </tbody> </table>	Household Size	Maximum Monthly Allotment Effective October 1, 2017	1	\$192	2	\$352	3	\$504	4	\$640	5	\$760	6	\$913	7	\$1,009	8	\$1,153	Each Additional Person	+\$144	Household Size	Minimum Monthly Allotment Effective October 1, 2017	1-2	\$15	The maximum monthly Food Assistance benefit allotments and the minimum allotment for households are represented in table form. The effective date needs to be updated to reflect the current year.	
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4.401.1,C	Outdated information	<p>Effective October 1, 2016, the gross income level for one hundred thirty percent (130%), two hundred percent (200%), and one hundred sixty-five percent (165%) of the federal poverty level for the corresponding household size is as follows:</p> <table border="1"> <thead> <tr> <th>Household Size</th> <th>130% Gross Income Level</th> <th>200% Gross Income Level</th> <th>165% Gross Income Level</th> </tr> </thead> <tbody> <tr><td>1</td><td>\$1,287</td><td>\$1,980</td><td>\$1,634</td></tr> <tr><td>2</td><td>\$1,736</td><td>\$2,670</td><td>\$2,203</td></tr> <tr><td>3</td><td>\$2,184</td><td>\$3,360</td><td>\$2,772</td></tr> <tr><td>4</td><td>\$2,633</td><td>\$4,050</td><td>\$3,342</td></tr> <tr><td>5</td><td>\$3,081</td><td>\$4,740</td><td>\$3,911</td></tr> <tr><td>6</td><td>\$3,530</td><td>\$5,430</td><td>\$4,480</td></tr> <tr><td>7</td><td>\$3,980</td><td>\$6,122</td><td>\$5,051</td></tr> <tr><td>8</td><td>\$4,430</td><td>\$6,816</td><td>\$5,623</td></tr> <tr><td>Each additional person</td><td>+\$451</td><td>+\$694</td><td>+\$572</td></tr> </tbody> </table>	Household Size	130% Gross Income Level	200% Gross Income Level	165% Gross Income Level	1	\$1,287	\$1,980	\$1,634	2	\$1,736	\$2,670	\$2,203	3	\$2,184	\$3,360	\$2,772	4	\$2,633	\$4,050	\$3,342	5	\$3,081	\$4,740	\$3,911	6	\$3,530	\$5,430	\$4,480	7	\$3,980	\$6,122	\$5,051	8	\$4,430	\$6,816	\$5,623	Each additional person	+\$451	+\$694	+\$572	<p>Effective October 1, 2017, the gross income level for one hundred thirty percent (130%), two hundred percent (200%), and one hundred sixty-five percent (165%) of the federal poverty level for the corresponding household size is as follows:</p> <table border="1"> <thead> <tr> <th>Household Size</th> <th>130% Gross Income Level</th> <th>200% Gross Income Level</th> <th>165% Gross Income Level</th> </tr> </thead> <tbody> <tr><td>1</td><td>\$1,307</td><td>\$2,010</td><td>\$1,659</td></tr> <tr><td>2</td><td>\$1,760</td><td>\$2,708</td><td>\$2,233</td></tr> <tr><td>3</td><td>\$2,213</td><td>\$3,404</td><td>\$2,808</td></tr> <tr><td>4</td><td>\$2,665</td><td>\$4,100</td><td>\$3,383</td></tr> <tr><td>5</td><td>\$3,118</td><td>\$4,798</td><td>\$3,958</td></tr> <tr><td>6</td><td>\$3,571</td><td>\$5,494</td><td>\$4,532</td></tr> <tr><td>7</td><td>\$4,024</td><td>\$6,190</td><td>\$5,107</td></tr> <tr><td>8</td><td>\$4,477</td><td>\$6,888</td><td>\$5,682</td></tr> <tr><td>Each additional person</td><td>+\$453</td><td>+\$698</td><td>+\$575</td></tr> </tbody> </table>	Household Size	130% Gross Income Level	200% Gross Income Level	165% Gross Income Level	1	\$1,307	\$2,010	\$1,659	2	\$1,760	\$2,708	\$2,233	3	\$2,213	\$3,404	\$2,808	4	\$2,665	\$4,100	\$3,383	5	\$3,118	\$4,798	\$3,958	6	\$3,571	\$5,494	\$4,532	7	\$4,024	\$6,190	\$5,107	8	\$4,477	\$6,888	\$5,682	Each additional person	+\$453	+\$698	+\$575	The gross income limits for households subject to income thresholds for 130%, 165%, and 200% of the Federal Poverty Level (FPL) are represented in table form.	
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4.401.2,D	Outdated information	<p>Effective October 1, 2016, the net income level of one hundred percent (100%) of the federal poverty level for the corresponding household size is as follows:</p> <table border="1"> <thead> <tr> <th>Household Size</th> <th>100% Net Income Level</th> </tr> </thead> <tbody> <tr><td>1</td><td>\$990</td></tr> <tr><td>2</td><td>\$1,335</td></tr> <tr><td>3</td><td>\$1,680</td></tr> <tr><td>4</td><td>\$2,025</td></tr> <tr><td>5</td><td>\$2,370</td></tr> <tr><td>6</td><td>\$2,715</td></tr> <tr><td>7</td><td>\$3,061</td></tr> <tr><td>8</td><td>\$3,408</td></tr> <tr><td>Each Additional Person</td><td>+\$347</td></tr> </tbody> </table>	Household Size	100% Net Income Level	1	\$990	2	\$1,335	3	\$1,680	4	\$2,025	5	\$2,370	6	\$2,715	7	\$3,061	8	\$3,408	Each Additional Person	+\$347	<p>Effective October 1, 2017, the net income level of one hundred percent (100%) of the federal poverty level for the corresponding household size is as follows:</p> <table border="1"> <thead> <tr> <th>Household Size</th> <th>100% Net Income Level</th> </tr> </thead> <tbody> <tr><td>1</td><td>\$1,005</td></tr> <tr><td>2</td><td>\$1,354</td></tr> <tr><td>3</td><td>\$1,702</td></tr> <tr><td>4</td><td>\$2,050</td></tr> <tr><td>5</td><td>\$2,399</td></tr> <tr><td>6</td><td>\$2,747</td></tr> <tr><td>7</td><td>\$3,095</td></tr> <tr><td>8</td><td>\$3,444</td></tr> <tr><td>Each Additional Person</td><td>+\$349</td></tr> </tbody> </table>	Household Size	100% Net Income Level	1	\$1,005	2	\$1,354	3	\$1,702	4	\$2,050	5	\$2,399	6	\$2,747	7	\$3,095	8	\$3,444	Each Additional Person	+\$349	The net income limits reflecting 100% of the Federal Poverty Level (FPL) are represented in table form as applicable to each household size.	
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4.407.31, A, 4	Outdated information	The HCUA standard is as follows: <table border="1" data-bbox="371 495 1003 527"> <tr> <td>Effective October 1, 2016</td> <td>\$459</td> </tr> </table>	Effective October 1, 2016	\$459	The HCUA standard is as follows: <table border="1" data-bbox="1018 495 1650 527"> <tr> <td>Effective October 1, 2017</td> <td>\$469</td> </tr> </table>	Effective October 1, 2017	\$469	The heating and cooling utility allowance (HCUA) is a standard utility deduction afforded to households who are responsible for paying heating and or cooling costs.	
Effective October 1, 2016	\$459								
Effective October 1, 2017	\$469								
4.407.31, B, 3	Outdated information	The BUA standard is as follows: <table border="1" data-bbox="371 743 1003 776"> <tr> <td>Effective October 1, 2016</td> <td>\$292</td> </tr> </table>	Effective October 1, 2016	\$292	The BUA standard is as follows: <table border="1" data-bbox="1018 743 1650 776"> <tr> <td>Effective October 1, 2017</td> <td>\$298</td> </tr> </table>	Effective October 1, 2017	\$298	The basic utility allowance (BUA) is a standard utility deduction afforded to households who are responsible for paying at least 2 non-heating or cooling utility costs.	
Effective October 1, 2016	\$292								
Effective October 1, 2017	\$298								
4.407.31, C, 3	Outdated information	The OUA standard is as follows: <table border="1" data-bbox="371 938 1003 971"> <tr> <td>Effective October 1, 2016</td> <td>\$55</td> </tr> </table>	Effective October 1, 2016	\$55	The OUA standard is as follows: <table border="1" data-bbox="1018 938 1650 971"> <tr> <td>Effective October 1, 2017</td> <td>\$56</td> </tr> </table>	Effective October 1, 2017	\$56	The one utility allowance (OUA) is a standard utility deduction afforded to households who are responsible for paying just one non-heating/cooling or phone utility cost.	
Effective October 1, 2016	\$55								
Effective October 1, 2017	\$56								
4.407.31, D, 2	Outdated information	The telephone allowance is as follows: <table border="1" data-bbox="371 1133 1003 1166"> <tr> <td>Effective October 1, 2016</td> <td>\$74</td> </tr> </table>	Effective October 1, 2016	\$74	The telephone allowance is as follows: <table border="1" data-bbox="1018 1133 1650 1166"> <tr> <td>Effective October 1, 2017</td> <td>\$76</td> </tr> </table>	Effective October 1, 2017	\$76	The telephone allowance is a standard utility deduction afforded to households who are responsible for paying a telephone utility cost and no other utilities.	
Effective October 1, 2016	\$74								
Effective October 1, 2017	\$76								

Title of Proposed Rule: Food Assistance FFY18 Standard Utility Allowance Updates and Cost of Living Adjustments

CDHS Tracking #: 17-07-21-01

Office, Division, & Program: OES, FEA, Food Assistance  
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Rule section Number	Issue	Old Language	New Language or Response	Reason / Example / Best Practice	Public Comment No / Detail
4.408.E	Outdated information	<p>E. The resource limits are as follows:</p> <p>Effective April 1, 2011 through September 30, 2011, the resource limit for households that do contain a member who is elderly and/or a person with a disability and for households that do not contain a person who is elderly and/or a person with a disability is two thousand dollars (\$2,000).</p> <p>Effective October 1, 2011, the resource limit for households that do contain a member who is elderly and/or a person with a disability is three thousand two hundred fifty dollars (\$3,250). The resource limit for households that do not contain a member who is elderly and/or a person with a disability is two thousand dollars (\$2,000).</p>	<p>E. The resource limits are as follows:</p> <p>Effective October 1, 2017, the resource limit for households that do contain a member who is elderly and/or a person with a disability is three thousand five hundred dollars (\$3,500). The resource limit for households that do not contain a member who is elderly and/or a person with a disability is two thousand two hundred fifty dollars (\$2,250).</p>	<p>Standard eligibility households have a resource test applied when determining if they qualify for a benefit allotment.</p>	



(10 CCR 2506-1)

**4.100 FOOD ASSISTANCE PROGRAM DEFINITIONS**

“MANDATORY Work Registrant” means an individual age sixteen (16) to ~~forty (40)~~ SIXTY (60) who HAS NOT MET ANY FEDERAL EXEMPTIONS FROM SNAP WORK REQUIREMENTS AND IS THEREFORE REQUIRED TO REGISTER FOR WORK OR BE REGISTERED BY THE STATE AGENCY. ~~is required to participate in a monthly work activity, unless considered otherwise exempt.~~

“VOLUNTARY WORK REGISTRANT” MEANS AN INDIVIDUAL WHO CHOOSES TO PARTICIPATE IN THE PROGRAM AND IS NOT MANDATED TO PARTICIPATE BY THE STATE OR FEDERAL REGULATIONS.

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**4.207.3 Benefit Allotment [Rev. eff. 9/9/16]**

- A. After eligibility has been established, the monthly Food Assistance benefit allotment will be determined. The state automated system will compute the household’s allotment. The following formula shall be used to determine a household’s benefit allotment.
  - 1. Multiply the net monthly income by thirty percent (30%).
  - 2. Round the product up to the next whole dollar if it ends in one (1) through ninety-nine (99) cents.
  - 3. Subtract the result from the maximum benefit allowed for the appropriate household size, as shown in E C. below.
- B. Except for an initial month, if the allotment for a one- or two-person household is less than ten dollars (\$10), round the allotment up to the minimum benefit allowed for one- or two-person household. If the calculation of benefits for an initial month is less than ten dollars (\$10), then no benefits shall be issued to the household for the initial month.
- C. The Food Assistance maximum and minimum monthly benefit allotment tables will be adjusted as announced by the United States Department of Agriculture (USDA, Food and Nutrition Service (FNS)).

HOUSEHOLD SIZE	MAXIMUM MONTHLY ALLOTMENT EFFECTIVE OCTOBER 1, <del>2016</del> 2017
1	<del>\$194</del> \$192
2	<del>\$357</del> \$352
3	<del>\$511</del> \$504
4	<del>\$649</del> \$640
5	<del>\$771</del> \$760
6	<del>\$925</del> \$913
7	<del>\$1,022</del> \$1,009
8	<del>\$1,169</del> \$1,153
Each Additional Person	+ \$146 \$144

HOUSEHOLD SIZE	MINIMUM MONTHLY ALLOTMENT EFFECTIVE OCTOBER 1, <del>2016</del> 2017
1-2	<del>\$46</del> \$15

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**4.401.1 Gross Income Eligibility Determination [Rev. eff. 9/9/16]**

A household, except those eligible under basic categorical eligibility, that does not include a member who is elderly or a person with a disability, as defined in Section 4.304.41, may be eligible if its monthly nonexempt earned and unearned income does not exceed the gross income level. Except for households that are eligible under basic categorical eligibility, households without person who is elderly and/or a person with a disability shall be ineligible for Food Assistance if its monthly income, after deducting any legally obligated child support payments and no other deductions, exceeds the gross income level. In such cases, there is no computation to consider deductions. Instead, a Notice of Action form is completed to deny the household.

- A. The gross income level for households that do not include a member who is elderly and/or a person with a disability is one hundred thirty percent (130%) of the federal poverty level.
- B. The gross income level for households eligible under expanded categorical eligibility that include a member who is elderly or a person with a disability is two hundred percent (200%) of the federal poverty level. If the household exceeds 200% of the federal poverty level, the household shall be reviewed under basic categorical eligibility rules and/or standard eligibility rules as outlined in Section 4.206. If the household is eligible under standard eligibility rules, the household shall only be subject to the net income level of one hundred percent (100%) of the federal poverty level.
- C. Gross Income Levels

Effective October 1, ~~2016~~ 2017, the gross income level for one hundred thirty percent (130%), two hundred percent (200%), and one hundred sixty-five percent (165%) of the federal poverty level for the corresponding household size is as follows:

Household Size	130% Gross Income Level	200% Gross Income Level	165% Gross Income Level
1	\$1,287 \$1,307	\$1,980 \$2,010	\$1,634 \$1,659
2	\$1,736 \$1,760	\$2,670 \$2,708	\$2,203 \$2,233
3	\$2,184 \$2,213	\$3,360 \$3,404	\$2,772 \$2,808
4	\$2,633 \$2,665	\$4,050 \$4,100	\$3,342 \$3,383
5	\$3,084 \$3,118	\$4,740 \$4,798	\$3,911 \$3,958
6	\$3,530 \$3,571	\$5,430 \$5,494	\$4,480 \$4,532
7	\$3,980 \$4,024	\$6,122 \$6,190	\$5,054 \$5,107
8	\$4,430 \$4,477	\$6,816 \$6,888	\$5,623 \$5,682
Each additional person	+\$451 +\$453	+\$694 +\$698	+\$572 +\$575

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**4.401.2 Net Income Eligibility Determination [Rev. eff. 9/9/16]**

- A. All households, except those who are eligible under basic categorical eligibility, whose income does not exceed the gross income level as outlined in this section shall have their eligibility for benefits computed allowing the earned income, standard, dependent care, medical, 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 for their household size. A household that exceeds the net eligibility level must be denied, except for households eligible under basic categorical eligibility rules.
- B. A household that is ineligible for either expanded or basic categorical eligibility 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.

- C. 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 local office shall determine the household's eligibility as if the person is sixty (60) years of age.
- D. Net Income Levels

Effective October 1, ~~2016~~ 2017, the net income level of one hundred percent (100%) of the federal poverty level for the corresponding household size is as follows:

Household Size	100% Net Income Level
1	<del>\$990</del> \$1,005
2	<del>\$1,335</del> \$1,354
3	<del>\$1,680</del> \$1,702
4	<del>\$2,025</del> \$2,050
5	<del>\$2,370</del> \$2,399
6	<del>\$2,715</del> \$2,747
7	<del>\$3,061</del> \$3,095
8	<del>\$3,408</del> \$3,444
Each Additional Person	<del>+\$347</del> +\$349

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**4.407.1 Standard Deduction [Rev. eff. 9/9/16]**

A standard deduction of 8.31% of the federal poverty income guidelines for the household size will be used to calculate the amount that is 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 (6). All households with six (6) or more eligible members will use the six (6) person standard deduction.

Standard Deduction Amount				
Household Size	1-3	4	5	6+
Effective October 1, <del>2016</del> 2017	<del>\$157</del> \$160	<del>\$168</del> \$170	<del>\$197</del> \$199	<del>\$226</del> \$228

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**4.407.3 Excess Shelter Deduction [Rev. eff. 9/9/16]**

- A. Households shall receive a deduction for the allowable monthly shelter costs that are in excess of fifty percent (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 that 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 non-citizen 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. A shelter deduction cap, as specified below, applies to households that do not contain person who is elderly and/or a person with a disability as defined in Section 4.304.41. Those households containing a person who is elderly and/or a person with a disability shall receive an excess shelter deduction for the monthly cost of shelter that exceeds fifty percent (50%) of the household's monthly income after all other applicable deductions.

SHELTER DEDUCTION CAP	
Effective October 1, <del>2016</del> 2017	<del>\$517</del> \$535

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4.407.31 Four-Tiered Mandatory Standard Utility Allowance [Rev. eff. 9/9/16]

Effective October 1, 2008, a four tiered mandatory standard utility allowance deduction was implemented in determining a household's excess shelter deduction. Households cannot claim actual utility expenses and are only entitled to one of the four utility allowances. The four utility allowances shall be reviewed annually and adjusted each year, based on Federal approval, to reflect Colorado's cost of utilities. No utility expenses can be allowed as an income exclusion for self-employed households when a mandatory utility allowance is given to the household.

When determining expedited eligibility, the appropriate utility allowance shall be applied when establishing the household's shelter costs.

The four (4) tiers are as follows:

A. Heating and Cooling Utility Allowance (HCUA)

1. "Cooling costs" are defined as utility costs 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 heating or cooling costs separate and apart from their rent or mortgage;
  - b. Received a Low-Income Energy Assistance Program (LEAP) payment within the previous twelve (12) month period, regardless of whether or not the individual is still residing at the address for which he/she received the LEAP payment;
  - 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; or,
  - e. Live in public housing and are responsible for excess heating and/or cooling costs.
2. A Food Assistance household, which incurs or anticipates a heating or cooling costs on an irregular basis, may continue to receive the HCUA between billing periods.
3. Operation of a space heater, electric blanket, heat lamp, cooking stove and the like when used as a supplemental heating source are allowable costs when determining eligibility for the basic utility allowance (BUA), but do not qualify a household for the HCUA.

4. The HCUA standard is as follows:

Effective October 1, <del>2016</del> 2017	<del>\$459</del> \$469
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B. Basic Utility Allowance (BUA)

1. The Basic Utility Allowance (BUA) is mandated for any households that are not entitled to the HCUA and that incur at least two (2) non-heating or non-cooling utility costs, such as electricity, water, sewer, trash, cooking fuel, or telephone.
2. 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. The BUA standard is as follows:

Effective October 1, <del>2016</del> 2017	\$ <del>292</del> \$298
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C. One Utility Allowance (OUA)

1. The OUA is mandated for any household that is not entitled to the HCUA or BUA but is responsible for only one (1) non-heating or one (1) non-cooling utility expense. The OUA is not allowed if the household's only utility expense is a telephone.

2. If more than one (1) assistance group shares in paying one (1) 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.

3. The OUA standard is as follows:

Effective October 1, <del>2016</del> 2017	\$ <del>55</del> \$56
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D. Telephone Allowance

1. The telephone allowance is available to households whose only utility cost is for a telephone. If more than one assistance group shares in paying the telephone costs and that is the only utility costs of the dwelling, the full phone standard will be allowed for each assistance group sharing in the telephone costs.

2. The telephone allowance is as follows:

Effective October 1, <del>2016</del> 2017	\$ <del>74</del> \$76
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**4.408 RESOURCE ELIGIBILITY STANDARDS**

A. The local office shall consider households eligible under either expanded or basic categorical eligibility as outlined in Section 4.206 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 that do not meet expanded or basic categorical eligibility criteria shall have their nonexempt resources, as anticipated to be available in the issuance month, used to determine household eligibility. See Section 4.409 for what is considered a non-exempt resource.

For how resources of non-household members and disqualified members are handled, refer to Section 4.411.

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 Section 4.411.

C. The value of liquid resources, as declared by the household, shall be utilized in the determination of expedited eligibility for all applicant households.

D. As a result of the Food, Conservation and Energy Act of 2008, adjustments to the Food Assistance resource limit will be subject to change annually according to the Consumer Price Index. There are currently two (2) resource limits:

1. One established for households that do contain a member who is elderly and/or a person with a disability; and,
2. Another established for households that do not contain a member who is elderly and/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 4.304.41.

E. The resource limits are as follows:

~~Effective April 1, 2011 through September 30, 2011, the resource limit for households that do contain a member who is elderly and/or a person with a disability and for households that do not contain a person who is elderly and/or a person with a disability is two thousand dollars (\$2,000).~~

Effective October 1, 2014 2017, the resource limit for households that do contain a member who is elderly and/or a person with a disability is three thousand FIVE HUNDRED ~~two hundred fifty~~ dollars (\$3,250-\$3,500). The resource limit for households that do not contain a member who is elderly and/or a person with a disability is two thousand TWO HUNDRED FIFTY dollars (~~\$2,000~~ \$2,250).