

**WISCONSIN DEPARTMENT OF HEALTH SERVICES**  
**Division of Medicaid Services**  
**1 W. Wilson St.**  
**Madison WI 53703**

---

To: FoodShare Wisconsin Handbook Users

From: Jori Mundy, Bureau Director  
Bureau of Eligibility and Enrollment Policy

Re: **FoodShare Wisconsin Handbook Release 23-03**

Release Date: 12/18/2023

Effective Date: 12/18/2023

<b>EFFECTIVE DATE</b>	The following policy additions or changes are <b>effective 12/18/2023</b> unless otherwise noted. <b>Underlined text denotes new text. Text with a strike through it denotes deleted text.</b>
<b>POLICY UPDATES</b>	
<b>1.1.2.1 Electronic Benefit Transfer (EBT)</b>	Removed Wisconsin QUEST Card information.
<b>1.1.2.2 Allowable Purchases</b>	Clarified information on hot food.
<b>1.1.4 Eligibility Overview</b>	Clarified information on the EBD asset limit.
<b>1.2.4.4 Asset Verification</b>	Added Asset Verification information to align with the Substantial Lottery or Gambling Winning policy.
<b>1.2.5 Questionable Items</b>	Added Substantial Lottery or Gambling Winning to circumstances that may require further verification.
<b>1.2.6.1 Required Verification to Determine Eligibility</b>	Removed “ABAWD/FoodShare Work Requirement Exemptions” as a required verification item and added a table for Asset Verification for Regular SNAP Rules.
<b>1.2.6.2 Verify Only if Questionable</b>	Added “ABAWD/FoodShare Work Requirement Exemptions” to the list of verification items that may need to be verified if questionable.
<b>2.1.3.2.1 Required Interview Topics</b>	Added information to comply with the Substantial Lottery or Gambling Winning policy.
<b>2.1.3.3 Use of an Authorized Representative</b>	Updated terms and grammar.
<b>2.1.4 Expedited Service at Application</b>	Added information on the Vault Card policy. Effective date 1/1/24.
<b>3.2.1.2 Temporary Absence</b>	Clarified information on parental absence and nesting agreements. Added examples.
<b>3.16.1.1 Background</b>	Updated age to comply with the Fiscal Responsibility Act of 2023. Effective date 10/1/2023.
<b>3.16.1.3 Exemptions from the FoodShare Basic Work Rules</b>	Updated exemptions to the FoodShare basic work rules.

<b>3.17.1.1</b>	<b>Able-Bodied Adults Without Dependents (ABAWDS)</b>	Clarified information on the Fiscal Responsibility Act of 2023. Effective date 9/1/2023.
<b>3.17.1.3</b>	<b>Determining Exemptions From the FoodShare Work Requirement</b>	Clarified information on the Fiscal Responsibility Act of 2023. Effective date 8/14/2023.
<b>3.17.1.4</b>	<b>Verification of Work Hours and Exemptions from FoodShare Work Requirement</b>	Clarified information on the Fiscal Responsibility Act of 2023. Effective date 8/14/2023.
<b>3.17.1.5</b>	<b>Good Cause for the FoodShare Work Requirement</b>	New section. Effective date 1/1/2023.
<b>3.17.1.6</b>	<b>Three Countable Months of Time-Limited FoodShare Benefits (TLB)</b>	Clarified information on the Geowaiver Implementation. Renumbered section 3.17.1.5 to 3.17.1.6. Effective date 10/1/2023.
<b>3.17.1.7</b>	<b>The Three-Year Period (FoodShare Clock)</b>	Section renumbered.
<b>3.17.1.8</b>	<b>Regaining Eligibility After Exhausting Three Months of Time-Limited Benefits</b>	Section renumbered.
<b>3.17.1.9</b>	<b>Three Additional Months of FoodShare Benefits</b>	Section renumbered.
<b>3.17.1.10</b>	<b>Countable Months from Another State</b>	Clarified information on the Geowaiver Implementation. Renumbered section 3.17.1.9 to 3.17.1.10. Effective date 10/1/2023.
<b>3.17.1.11</b>	<b>ABAWD Status and Referral Type</b>	Clarified ABAWD with Non-TLB referral types. Renumbered section 3.17.10 to 3.17.11. Effective date 10/1/2023.
<b>3.17.1.13</b>	<b>Adjusting the FoodShare Clock Page</b>	Updated the FoodShare applicant age requirement. Renumbered section 3.17.1.12 to 3.17.1.13.
<b>3.17.1.14</b>	<b>FoodShare Clock System Updates and Statuses</b>	Updated information on the Geowaiver Implementation. Renumbered section 3.17.1.13 to 3.17.1.14. Effective date 10/1/2023.
<b>4.2.1</b>	<b>Categorical and Broad-Based Categorical Eligibility</b>	Renamed section.
<b>4.2.1.1</b>	<b>Categorical and Broad-Based Categorical Eligibility Introduction</b>	Updated to comply with the Substantial Lottery or Gambling Winning policy.
<b>4.2.1.2</b>	<b>Case Processing</b>	Deleted section.
<b>4.2.1.3</b>	<b>Special Circumstances</b>	Deleted section.
<b>4.2.1.4</b>	<b>Transitional FoodShare Benefits</b>	Updated information for TFS food unit eligibility. Renumbered section 4.2.1.4 to 4.2.1.2
<b>4.2.1.5</b>	<b>Elderly, Blind, or Disabled Food Units</b>	Clarified EBD limit information. Renumbered section 4.2.1.5 to 4.2.1.3
<b>4.2.2</b>	<b>Regular SNAP Rules</b>	New section.
<b>4.3.3.4</b>	<b>Rental Income</b>	Clarified information on multiple properties.
<b>4.3.3.4.1</b>	<b>Unearned Rental Income</b>	Clarified information on multiple properties.

<b>4.3.3.8</b>	<b>Self-employment Expenses</b>	Updated standard deductions of meal costs for child care providers due to COLA updates.
<b>4.3.4.3</b>	<b>Disregarded Unearned Income</b>	Clarified Tribal/Native American payments.
<b>4.4.1</b>	<b>Assets</b>	Removed information on EBD and Non-EBD households.
<b>4.4.1.1</b>	<b>Introduction to Assets</b>	Updated information on SNAP rules.
<b>4.4.1.4</b>	<b>Liquid Assets</b>	Clarified information on savings and checking accounts. Renumbered section from 4.4.1.5.
<b>4.4.1.5</b>	<b>Recurring Lump Sum Payment</b>	New section.
<b>4.4.1.6</b>	<b>Nonrecurring Lump Sum Payment</b>	New section.
<b>4.4.1.7</b>	<b>Disregarded Assets</b>	Clarified information on SNAP rules. Renumbered section from 4.4.1.4.
<b>4.4.1.8.1</b>	<b>Period of Ineligibility</b>	Updated example. Renumbered 4.4.1.6.1 to 4.4.1.8.1.
<b>4.6.4.1</b>	<b>Allowable Medical Expenses</b>	Clarified policy for the Problem Resolution Team.
<b>6.1.1</b>	<b>Change Reporting for All Food Units (Simplified)</b>	Clarified the FoodShare reporting rules policy.
<b>6.1.1.1</b>	<b>Substantial Lottery or Gambling Winning</b>	New section.
<b>6.1.2</b>	<b>Six Month Reporting Requirement</b>	Clarified information on documentation. Updated information for the Substantial Lottery or Gambling Winning policy.
<b>6.1.3.7</b>	<b>Change Impact Matrix</b>	Updated information on the Impact on Certification Period.
<b>6.1.3.8</b>	<b>Processing ABAWD Changes</b>	Clarified information on the FNS policy and the Fiscal Responsibility Act of 2023. Effective date 8/14/2023.
<b>7.1.1.4</b>	<b>Minimum Allotment for Assistance Groups</b>	Updated information for the Substantial Lottery or Gambling Winning policy and TFS.
<b>7.1.1.5</b>	<b>Replacement Issuance for Destroyed Food</b>	Clarified information on destroyed food.
<b>7.1.1.6</b>	<b>Replacement for Stolen Benefits</b>	New section.
<b>7.1.1.10</b>	<b>Expungement</b>	Updated information on Expungement Periods. Effective date 9/17/2023.
<b>7.2.1</b>	<b>Wisconsin QUEST Card</b>	Updated vault card policies.
<b>7.2.1.1</b>	<b>QUEST Card Uses</b>	New section.
<b>7.2.1.2</b>	<b>Temporary QUEST Cards</b>	New section. Effective date 12/1/2023.
<b>7.3.1.1</b>	<b>Overpayment Claims Against Food Units</b>	Updated information for the Substantial Lottery or Gambling Winning policy.
<b>7.3.1.3</b>	<b>When to Establish an Overpayment Claim</b>	Updated information on overpayment limit.
<b>8.1.1.1</b>	<b>Monthly Income Limits</b>	Updated monthly income limits on COLA.
<b>8.1.1.2</b>	<b>Regular SNAP Program Monthly Income Limits</b>	Updated Regular SNAP Program Monthly income limits due to COLA.
<b>8.1.1.3</b>	<b>Asset Limits</b>	Updated information for the Substantial Lottery or Gambling Winning policy.
<b>8.1.2</b>	<b>Allotment for Monthly Net Income and</b>	Updated title and information on FoodShare Group Size.

<b>FoodShare Assistance Group Size</b>	
<b>8.1.3 Deductions</b>	Updated deduction amounts due to COLA update. Effective date 10/1/2023.

## Contents

1.1.2 FoodShare Benefits.....	8
1.1.2.1 Electronic Benefit Transfer (EBT) .....	8
1.1.2.2 Allowable Purchases .....	8
1.1.4 Eligibility Overview .....	10
1.2.4 Financial Verification .....	13
1.2.4.4 Asset Verification .....	13
1.2.5 Questionable Items .....	14
1.2.6 Suggested Verification Sources .....	15
1.2.6.1 Required Verification to Determine Eligibility .....	15
1.2.6.2 Verify Only If Questionable .....	19
2.1.3 Interviews .....	23
2.1.3.2 Completing the Interview .....	23
2.1.3.2.1 Required Interview Topics.....	23
2.1.3.3 Use of an Authorized Representative .....	24
2.1.4 Expedited Service at Application.....	27
3.2.1 Residence .....	28
3.2.1.2 Temporary Absence .....	28
3.16.1 FoodShare Basic Work Rules .....	30
3.16.1.1 Background.....	30
3.16.1.3 Exemptions from the FoodShare Basic Work Rules.....	30
3.17.1 FoodShare Work Requirements for ABAWDs.....	32
3.17.1.1 Able-Bodied Adults Without Dependents (ABAWDs).....	32
3.17.1.3 Determining Exemptions From the FoodShare Work Requirement.....	33
3.17.1.4 Verification of Work Hours and Exemptions From FoodShare Work Requirement.....	36
3.17.1.5 Good Cause for the FoodShare Work Requirement.....	37
3.17.1.6 Three Countable Months of Time-Limited FoodShare Benefits (TLBs) .....	39
3.17.1.7 The Three-Year Period (FoodShare Clock) .....	40
3.17.1.8 Regaining Eligibility After Exhausting Three Months of Time-Limited Benefits .....	40
3.17.1.9 Three Additional Months of FoodShare Benefits .....	40
3.17.1.10 Countable Months From Another State .....	40
3.17.1.11 ABAWD Status and Referral Type.....	42
3.17.1.12 FSET Participation and FoodShare Eligibility for ABAWDs .....	43

3.17.1.13 Adjusting the FoodShare Clock Page .....	43
3.17.1.14 FoodShare Clock System Updates and Statuses .....	45
4.2.1 Categorical Eligibility .....	47
4.2.1.1 Categorical and Broad-Based Categorical Eligibility Introduction .....	47
4.2.1.2 Transitional FoodShare Benefits.....	49
4.2.1.3 Elderly, Blind, or Disabled Food Units .....	49
4.2.2 Regular SNAP Rules.....	50
4.3.3 Farming and Other Self Employment Income .....	51
4.3.3.4 Rental Income.....	51
4.3.3.4.1 Unearned Rental Income .....	52
4.3.3.8 Self-employment Expenses .....	53
4.3.4 Unearned Income.....	55
4.3.4.3 Disregarded Unearned Income.....	55
4.4.1 Assets .....	65
4.4.1.1 Introduction to Assets .....	65
4.4.1.4 Liquid Assets .....	66
4.4.1.5 Recurring Lump Sum Payment.....	68
4.4.1.6 Nonrecurring Lump Sum Payment.....	68
4.4.1.7 Disregarded Assets .....	69
4.4.1.8 Divestment.....	78
4.4.1.8.1 Period of Ineligibility .....	79
4.6.4 Medical Expenses .....	81
4.6.4.1 Allowable Medical Expenses .....	81
6.1.1 Change Reporting for All Food Units (Simplified).....	84
6.1.1.1 Substantial Lottery or Gambling Winning.....	86
6.1.2 Six Month Reporting Requirement .....	89
6.1.3 Timely Action on Reported Changes During the Certification Period .....	93
6.1.3.7 Change Impact Matrix.....	93
6.1.3.8 Processing ABAWD Changes.....	94
7.1.1 Allotments .....	95
7.1.1.4 Minimum Allotment for One or Two Person Assistance Groups and Zero Dollar Allotments.....	95
7.1.1.5 Replacement Issuance for Destroyed Food.....	96
7.1.1.6 Replacement for Stolen Benefits .....	100
7.1.1.7 Voluntarily Refunded Benefits Amount .....	102

7.1.1.8 Deny Benefit Increases Due to Penalties in Other Programs .....	102
7.1.1.9 EBT Benefit Issuance Calendar.....	103
7.1.1.10 Expungement.....	104
7.2.1 Wisconsin Quest Card.....	105
7.2.1.1 QUEST Card Uses .....	105
7.2.1.2 Temporary QUEST Cards.....	106
7.2.1.2.1 Requirement to Offer Opportunity to Receive a Temporary QUEST Card .....	106
7.2.1.2.2 Determining Eligibility to Receive a Temporary QUEST Card.....	106
7.2.1.2.3 Separation of Duties.....	107
7.2.1.2.4 Allowable Requestors .....	107
7.2.1.2.5 Assistance with Activating the Temporary QUEST Card.....	107
7.2.1.2.6 Temporary QUEST Card Limit .....	108
7.2.1.2.7 Replacement Card Monitoring Requirement .....	108
7.3.1 Calculating Overpayment Claim Amounts.....	109
7.3.1.1 Overpayment Claims Against Food Units.....	109
7.3.1.3 When to Establish an Overpayment Claim .....	110
8.1.1 Income Limits .....	112
8.1.1.1 Monthly Income Limits .....	112
8.1.1.2 Regular SNAP Program Monthly Income Limits .....	113
8.1.1.3 Asset Limits .....	114
8.1.2 Allotment for Monthly Net Income and FoodShare Assistance Group Size.....	115
8.1.3 Deductions .....	117

# 1.1.2 FoodShare Benefits

## 1.1.2.1 Electronic Benefit Transfer (EBT)

FoodShare benefits are deposited in a member's account using an [Electronic Benefit Transfer \(EBT\)](#) system and are spent using a debit card called the Wisconsin QUEST card. ~~The Wisconsin QUEST card allows access to FoodShare benefits through point-of-sale, swipe card terminals, or with participating SNAP retailers. These transactions look like any other debit card transaction and are free to the cardholder.~~

[For additional information about EBT, See Process Help Section 80.1 EBT Introduction.](#)

~~For additional information about QUEST and other EBT cards, SEE SECTION 7.2.1 WISCONSIN QUEST CARD Online and phone orders:~~

- ~~FoodShare members placing pick-up orders online or by phone must use their EBT card to pay at the time of pick up. This can be done in-store or by using a store's mobile point-of-service device.~~
- ~~FoodShare members using a designated representative to pick up orders placed online or by phone using a EBT card must give the EBT card to the designated representative. The designated representative must use the EBT card to pay at the time of pick up. This can be done in-store or by using a store's mobile point-of-service device.~~
- ~~FoodShare members ordering online or by phone for delivery must enter their EBT card information into the online payment system. Their FoodShare benefits are debited from their account following delivery of the order.~~

Example 3	<del>Hannah calls the local grocery store to place a grocery order for pickup. Hannah cannot use a FoodShare EBT card to "pre-pay" for the groceries. However, when Hannah goes to the store to pick up the food, Hannah can use an EBT card to pay for eligible food items.</del>
Example 4	<del>Sam places a grocery order online with Walmart for \$80. Sam is using FoodShare to pay for this order. Sam enters the information from their EBT card into the payment section. Sam's groceries are delivered two days later. Following the delivery of the grocery order, Sam's FoodShare account is debited \$80 for the cost of food purchased online through Walmart.</del>

~~**Advanced payment exception:** FoodShare benefits can be used to pay in advance when prior payment is for food purchased from a nonprofit cooperative food purchasing venture.~~

## 1.1.2.2 Allowable Purchases



FoodShare benefits can be used to buy foods such as:

- Breads and cereals
- Fruits and vegetables
- Meats, fish, and poultry
- Dairy products
- Seeds and plants that produce food for the household to eat

FoodShare benefits **cannot** be used to buy items such as:

- Nonfood items (pet foods, paper products, soaps, household supplies, grooming items, toothpaste, cosmetics, etc.)
- Beer, wine, liquor, cigarettes, or tobacco
- Vitamins and medicines
- Hot foods (for example, food that is purchased and cooked at the store<sup>\*)</sup>)

~~\*Hot foods are only excluded if they are hot at the time they are sold. Occasionally grocery stores will chill hot foods; these items are then eligible for purchase with FoodShare benefits.~~

Note      Hot foods are only excluded if they are hot at the time they are sold. Occasionally, grocery stores will chill hot foods; these items are eligible for purchase with FoodShare benefits.

Some products have a deposit fee that must be paid at the time of purchase that is then refunded when the container is returned (for example, milk that comes in a glass container). If a container deposit fee is required when purchasing an eligible food item in Wisconsin, this additional fee cannot be paid by using FoodShare benefits. The container deposit fee must be paid in cash or through another form of payment.

Example 53	Jack purchases a glass container of milk in Wisconsin. There is a container fee charge on this particular bottle. Because Wisconsin does not have a container deposit law, the cost of the milk could be paid for using FoodShare benefits, but Jack must pay for the deposit fee using another method of payment.
Example 64	Jack lives near the Wisconsin Michigan border and sometimes does his grocery shopping in Michigan. Jack purchases a case of soda in Michigan that requires a container deposit fee. Michigan has a law that requires a container deposit fee be paid with the purchase of certain beverages. Jack can use FoodShare benefits to pay the deposit fee, since it is required per Michigan law.

If the member has questions about specific food items, refer the member to the Food and Nutrition Service's [list of eligible food items](#).

# 1.1.4 Eligibility Overview

## Non-Financial Eligibility

The application process begins with a person contacting a local agency to request FoodShare benefits. The local agency must determine whether the applicant is a Wisconsin resident. The local agency must determine whether the applicant is a boarder, foster person, or resident of an institution. Some applicants are not eligible for FoodShare because their food needs are already met. Additional non-financial eligibility criteria may apply.

## Individual Eligibility

To be eligible for FoodShare, a person must be a U.S. citizen or qualifying immigrant. A Social Security number (SSN) is required, or the person must apply for an SSN, for each person who is requesting FoodShare benefits. A food unit member cannot belong to more than one FoodShare assistance group with a few exceptions.

## Food Unit

The food unit can include anyone who purchases and prepares food with the primary person. There are some exceptions regarding who must be included in the food unit based on relationship rules.

## FoodShare Assistance Group

The FoodShare assistance group includes everyone who will receive FoodShare benefits.

## Work Programs

Some members aged 16 to 59 must register for work to be FoodShare eligible. Some exceptions exist, including full-time students and parents caring for young children. Some members aged 18 to 4952 must meet a separate FoodShare work requirement in order to maintain eligibility.

## Unearned Income

Unearned income, including any unearned income that is deemed from an ineligible member, may be counted. Some types of unearned income include child support, unemployment compensation, Social Security, and W-2 payments.

## Earned Income

The food unit's gross earned income may be counted. Some types of earned income include wages, tips, and self-employment income.

## Room and Board Income

Income the food unit receives from a boarder may be counted.

## Gross Monthly Income Computation

The 200% federal poverty level (FPL) gross monthly income test applies to all broad-based categorically eligible food units ~~(except for food units as a condition of eligibility, with an elderly one exception. Elderly, blind, or disabled (EBD) member) as a condition of eligibility~~ food units have no gross monthly income test.

Most food units are considered broad-based categorically eligible if their gross monthly income is at or below 200% FPL and the language describing "Job Center" services is issued to the food unit on a CARES-generated notice of decision.

Note The FoodShare worksheet and the CWW budget page refer to "assistance group size" for the gross income test.

## Regular SNAP Rules

Food units that include an EBD- member with gross monthly income that exceeds 200% of the FPL must be tested for FoodShare using the regular SNAP rules. Under ~~the regular SNAP~~ these rules, ~~these food units have~~ the assistance group (AG) has no gross monthly income limit test but must have a net monthly income that does not exceed 100% of the FPL and countable assets that do not exceed the EBD asset limit. (SEE SECTION 8.1.1.3 ASSET LIMITS \$4,250.)

Non-EBD food units, and their AGs being tested under regular SNAP rules, must have income under the gross monthly income limit of 130% of the FPL. They must also pass the net income test of 100% of the FPL and their countable assets cannot exceed the non-EBD asset limit. (SEE SECTION 8.1.1.3 ASSET LIMITS)

## Dependent Care

If a food unit member pays for child care or care for an adult food unit member, they may receive a deduction for each dependent. The care must be necessary for the food unit member to look for work, go to work, or attend school.

## Shelter and Utilities

Food units that have a shelter or utility obligation may receive a shelter and utility deduction. The actual receipt and application of this deduction will depend on other eligibility and budgeting factors.

The cost of rent, mortgage, taxes, or other shelter costs can be claimed as part of the shelter deduction. Homeless persons can also claim shelter costs. The cost of utilities such as gas, electric, water and telephone can be claimed for the utility deduction. The receipt of Wisconsin Heating Energy Assistance Program/Low Income Home Energy Assistance Program (WHEAP/LIHEAP) benefits in the current month or past 12 months can count towards a utility deduction.

## Income Test

Food units that are not categorically eligible must pass the 100% FPL net income test based on FoodShare assistance group size. Broad-based categorically eligible food units do not have to pass this test; however, if net income exceeds the FoodShare net income limit, FoodShare assistance groups of three or more people might not receive FoodShare benefits. If the group's net income equals or is less than the limit, the group may be eligible for benefits.

Note Assistance group size is listed on the CWW budget page for the net income test.

## **Allotment**

The allotment is the monthly amount of FoodShare benefits an eligible FoodShare assistance group receives. The allotment is calculated by looking at FoodShare assistance group size and total adjusted net income. Prorate the initial allotment if the FoodShare assistance group applies after the first of the month.

## **Renewal Date**

The local agency must review a food unit's eligibility within certain time frames. Most food units are certified for 12 months. Food units that include a migrant or seasonal farm worker, and food units who are homeless, are certified for six months.

Food units that include only EBD persons with no reported earnings are certified for 12 months.

All food units are subject to reduced reporting policy.

## **Benefit Amounts**

FoodShare benefit amounts are based on the number of persons who are eligible and monthly net income after deductions. The lower the net income, the more FoodShare benefits a FoodShare assistance group may receive. Only families with very little or no monthly net income will receive the maximum amount of FoodShare benefits.

# 1.2.4 Financial Verification

## 1.2.4.4 Asset Verification

---

7 CFR 273.2(f)(2) and 7 CFR 273.2(f)(3)

Assets—There is no asset test for FoodShare applicants and members tested under broad-based categorical eligibility or categorical eligibility rules. Their assets are not ~~considered~~ counted in the ~~FoodShare~~-eligibility determination ~~for broad-based categorically eligible FoodShare applicants and members~~ since they are authorized to receive Temporary Assistance for Needy Families (TANF)-funded services. FoodShare applicants and members tested under these rules must not be asked to provide information about or verify their assets.

EXCEPTION: A substantial lottery or gambling winning (see SECTION 6.1.1.1 SUBSTANTIAL LOTTERY OR GAMBLING WINNING ~~a TANF-funded service. Although~~) is considered an asset. Any member who reports a questionable substantial lottery or gambling winning must provide verification.

Applicants must report the amount of available liquid assets ~~must be reported~~ at the point of initial application to determine eligibility for priority service and expedited issuance, ~~the~~. The reported assets are not required to be verified (see).

~~However, EBD food units that have gross income that exceeds 200% of the FPL are not categorically eligible and are subject to the \$4,250 asset limit. These food units must verify assets (see (SEE SECTION 2.1.4 EXPEDITED SERVICE AT APPLICATION).~~

Under regular SNAP rules FoodShare applicants and members are tested for assets. Elderly, Blind, or Disabled (EBD) food units with gross monthly income that exceeds 200% of the Federal Poverty Limit (FPL) are subject to the asset limit. Non-EBD food units may be tested under regular SNAP rules if certain criteria are met (see SECTION 4.2.2 REGULAR SNAP RULES). These food units are subject to the non-EBD asset limit. Food units tested under regular SNAP rules must verify their assets (SEE SECTION 4.4.1 ASSETS).

## 1.2.5 Questionable Items

7 CFR 273.2(f)(2) and

~~USDASNAP~~ USDA SNAP Policy Guidance, November 13, 2008

~~IM~~ Income Maintenance (IM) agencies may request verification of other factors if information provided at application, renewal, or reported change is questionable, unclear, or incomplete, and would have an effect on FoodShare eligibility or benefit level.

Some examples of circumstances that may require further verification are:

- Household composition
- Claim of separate food unit
- School enrollment
- Household expenses that exceed income
- Substantial Lottery or Gambling Winning
- Pay stub name that differs from employed applicant or member's name
- Proof the medical expense is for an allowable service or purchase
- Resolving any identified EPPs (see Process Help, [Section 70.1 Error Prone profile \(EPP\)](#)).

If an IM agency receives conflicting information, verification must be requested to clarify the circumstances. For example, if food unit expenses exceed income, obtain a written statement from the applicant or member on how they are paying expenses, or verify with the landlord how rent is being paid.

There may be instances where the applicant or member has reported earnings as required by program rules and produced a pay stub to verify those earnings. Although the name on the pay stub differs from the applicant or member's name, the purpose of the documentation is not to verify identity. The applicant or member can attest to the accuracy of those earnings and provide a reasonable explanation for the discrepancy with the name contained on the pay stub. IM workers should document this explanation in case comments. The local agency could reasonably consider such documentary evidence to verify the reported income (see Section 1.2.1.3 Responsibility for Verification).

# 1.2.6 Suggested Verification Sources

## 1.2.6.1 Required Verification to Determine Eligibility

7 CRF 273.2(f)

Verification Item	Suggested Verification Sources
Immigration Status	<ul style="list-style-type: none"> <li>• SAVE</li> <li>• INS or USCIS Alien Registration Card (Permanent Residence Card, Green Card, Form I-551)</li> <li>• Naturalization certificate</li> <li>• SSA query to verify work quarters</li> <li>• Military services papers</li> <li>• Military Affidavit (<a href="#">F-02431</a>)-<del>GWW manual</del>Letter: Imm ROP: Military</li> <li>• Other Immigration letters and certification of status documents (trafficking victims, battered immigrant)</li> </ul>
Wisconsin Residency	<ul style="list-style-type: none"> <li>• Current rent receipt that must show address</li> <li>• Current mortgage receipt</li> <li>• Current lease agreement</li> <li>• Landlord inquiry</li> <li>• Current utility bill with address and responsible person's name</li> <li>• Check stub with current address</li> <li>• Driver's license</li> <li>• Home visit</li> <li>• Subsidized housing authority approval</li> <li>• Post office statement or collateral contact</li> <li>• Library card</li> <li>• Voter registration</li> <li>• Piece of mail received at claimed residence</li> <li>• Real estate tax statement or receipt</li> <li>• Weatherization program approval or denial</li> <li>• Renter or homeowner's insurance documents</li> <li>• School registration record</li> <li>• Letter from employer offering job</li> <li>• Telephone book</li> <li>• Motor vehicle registration</li> <li>• List of residents from a treatment center official, group home, etc.</li> <li>• Written statement</li> </ul>

	<ul style="list-style-type: none"> <li>• Legal or government issued document with name and address</li> <li>• Bank Statement with name and address</li> <li>• Mobile phone bill with name and address</li> <li>• DMV Data Exchange</li> <li>• Data Exchange for individuals receiving State SSI benefits</li> <li>• Verified through another program</li> <li>• Collateral contact</li> </ul>
<p><u>Gross</u> Monthly <del>Gross</del> Income</p>	<p>Earned Income:</p> <ul style="list-style-type: none"> <li>• Dated check stubs from the previous 30 days with the employee's name or ID number</li> <li>• Earnings report or statement from employer</li> <li>• IEVS report or computer match from another state - to be used only if no other form of verification exists. IEVS matches are not verification of the income an employee has earned. IEVS is an indicator that income was earned from that employer sometime during the three months of the work quarter identified. For change reporting requirements, see <a href="#">SECTION 6.1.1 CHANGE REPORTING FOR ALL FOOD UNITS (SIMPLIFIED REPORTING)</a>.</li> </ul> <p>Unearned Income:</p> <ul style="list-style-type: none"> <li>• Department of Workforce Development unemployment query</li> <li>• Pension statement</li> <li>• SSA's WTPY report</li> <li>• Current award letter</li> <li>• Current SSA or SSI check</li> <li>• Collateral contact with the employer, SSA, insurance company</li> <li>• IEVS report or computer match from another state - to be used only if no other form of verification exists. IEVS matches are not verification of the unearned income. IEVS is an indicator that unearned income was received sometime during the three months of the quarter identified.</li> </ul> <p>For self-employment or farm income and expenses:</p> <ul style="list-style-type: none"> <li>• Income tax return from the previous tax year</li> <li>• Self-Employment Income Report Form(s) (SEIRF)</li> <li>• Bookkeeping records</li> </ul>
<p>Primary Person's ID<del>***</del><sub>-</sub></p>	<ul style="list-style-type: none"> <li>• Birth record query</li> </ul>



	<ul style="list-style-type: none"> <li>• Birth certificate</li> <li>• IEVS match</li> <li>• SSA (SOLQ/SOLQ-I matches)</li> <li>• Baptismal certificate</li> <li>• Military service papers</li> <li>• Immigration or naturalization papers</li> <li>• Consular ID - Consular identification (CID) cards are issued by some governments to their citizens who are living in foreign countries. A consular ID is an allowable identity verification type valid for FoodShare and should be coded as PH – Photo ID</li> <li>• Hospital birth record</li> <li>• Adoption record</li> <li>• Passport or US citizen ID card</li> <li>• Family bible</li> <li>• Paycheck</li> <li>• Wage stubs</li> <li>• Driver’s license or Government ID</li> <li>• Completed SS-5</li> <li>• Confirmation or church membership papers</li> <li>• Voter registration card</li> <li>• Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers)</li> <li>• Employee ID card</li> <li>• Life insurance policy</li> <li>• School records (ID, report cards, diploma)</li> <li>• State/federal or Indian census records</li> <li>• Medical records (vaccination certificate, doctor’s or clinic’s records, bills)</li> <li>• Other social service program ID (when another program of assistance has already verified ID, ID for FoodShare requirements is complete)</li> <li>• Labor union or fraternal organization records</li> <li>• Court order of name change, marriage certificate, or divorce certificate</li> <li>• If verified for another program of assistance, no additional verification required</li> </ul>
<p>Disability/Blindness</p>	<ul style="list-style-type: none"> <li>• Statement or collateral contact from VA disability benefits</li> <li>• Statement, check, or collateral contact from Social Security Administration</li> <li>• Statement or collateral contact that proves a person receives a Railroad Retirement disability annuity and also qualifies for Medicaid</li> </ul>

	<ul style="list-style-type: none"> <li>• Statement or collateral contact</li> <li>• Statement that a person receives Interim Assistance benefits pending the receipt of SSI and SSDI</li> <li>• Statement or collateral contact that proves that an individual receives general assistance and meets the SSA guidelines for a disability</li> <li>• Data exchange with SSA/SSI</li> </ul>
ABAWD/FoodShare Work Requirement Exemptions*	<ul style="list-style-type: none"> <li>• <del>Agency form, such as the Medical Exemption from Work Requirement for ABAWDs form (F-01598)</del></li> <li>• <del>Statement from health care provider, social worker, or AODA service provider</del></li> <li>• <del>Data exchanges</del></li> <li>• <del>By using information made known to the agency including in-person agency verification of a visibly obvious ABAWD status or exemption, such as pregnancy or inability to work due to a temporary or permanent health condition</del></li> <li>• <del>IM worker determination that the member is unfit for employment without requiring a statement or additional verification</del></li> <li>• <del>Information known to the agency</del></li> <li>• <del>Collateral contact</del></li> <li>• <del>Other acceptable written statement</del></li> </ul>
ABAWD Hours Worked	<ul style="list-style-type: none"> <li>• Employer form/paystub/tax document/EVF-E (<a href="#">E-10146</a>)</li> <li>• Written statement from the employer, work program, or volunteer site</li> <li>• <u>Employer, work program, or volunteer site collateral contact</u></li> <li>• <u>Signed statement outlining in-kind work agreement</u></li> </ul>
ABAWD Countable Months in Another State	<ul style="list-style-type: none"> <li>• Any form of communication from the agency administering SNAP in the other state (for example, phone call, email, written form)</li> </ul>
Huber Status	<ul style="list-style-type: none"> <li>• Agency Form</li> <li>• Court Order</li> <li>• City or County Records</li> <li>• Lawyer Statement or Record</li> <li>• Other Acceptable Written or Verbal Statement from jail staff</li> </ul>

~~\*If an exemption from the ABAWD/FoodShare Work Requirement is not verified, the exemption will not be applied, and the member will be treated as an ABAWD with a TLB~~

referral type.

\*\*Information may only be verified once; additional request for verification is prohibited.

### Asset Verification for Regular SNAP Rules

<u>Verification Item</u>	<u>Suggested Verification Sources</u>
<u>Checking or Saving Account</u>	<ul style="list-style-type: none"><li>• <u>Bank statements</u></li><li>• <u>Letter from the bank on official letterhead showing account balance</u></li></ul>
<u>Stocks or Bonds</u>	<ul style="list-style-type: none"><li>• <u>Brokerage or financial statements showing the value of holdings</u></li><li>• <u>Stock or bond certificate</u></li></ul>
<u>Savings Certificate</u>	<ul style="list-style-type: none"><li>• <u>Statement from the financial institution that hold the savings certificate</u></li><li>• <u>Copy of a physical certificate</u></li></ul>
<u>Lump Sum Payments</u>	<ul style="list-style-type: none"><li>• <u>Bank statement with the deposit amount</u></li><li>• <u>Copy of document showing the amount and type of deposit</u></li></ul>

### **1.2.6.2 Verify Only If Questionable**

<u>Verification Item</u>	<u>Suggested Verification Sources</u>
<u>Dependent Care*</u>	<ul style="list-style-type: none"><li>• Written statement from provider</li><li>• Cancelled check</li><li>• Collateral contact with provider</li><li>• Paid receipt or bill</li><li>• Collateral contact with child care worker (Wisconsin Shares)</li><li>• Receipts or bills for costs associated with care such as additional fees, field trips, camps, supplies, transportation</li></ul>
<u>Shelter / Utility Expense*</u>	<ul style="list-style-type: none"><li>• Mortgage payment records</li><li>• Rent receipt</li><li>• Statement from landlord</li><li>• Lease</li><li>• HUD subsidized housing approval</li><li>• Property tax statement</li><li>• Real estate agreement</li><li>• Canceled check for rent or utility payment</li><li>• Statement from person(s) with whom the food unit shares shelter costs</li><li>• Utility bill</li><li>• Utility budget amounts</li></ul>

	<ul style="list-style-type: none"> <li>• Statement from utility company</li> <li>• Landlord inquiry</li> <li>• Deferred payment agreement</li> <li>• Firewood receipt</li> <li>• Telephone bill</li> <li>• Documented collateral contact with landlord or utility company</li> <li>• Statement or receipt from landlord for utilities paid by landlord</li> <li>• Homeowner's insurance policy or billing statement</li> <li>• Statements from collateral contact</li> <li>• WHEAP/LIHEAP or other energy assistance</li> </ul>
SSN**	<ul style="list-style-type: none"> <li>• Social Security Card</li> <li>• Form 1610 (I-D)</li> <li>• Form SS-5 – Application for a Social Security Card</li> <li>• Form 2583</li> <li>• Tax documentation (W-2, tax return form, refund check)</li> <li>• SSA documents such as award/denial letter or SSA/SSI benefit check</li> <li>• SOLQ-I search</li> </ul>
<u>ABAWD/FoodShare Work Requirement Exemptions</u>	<ul style="list-style-type: none"> <li>• <u>Agency form, such as the Medical Exemption from Work Requirement for ABAWDs form (F-01598)</u></li> <li>• <u>Statement from health care provider, social worker, homeless shelter, or AODA service provider</u></li> <li>• <u>Data exchanges</u></li> <li>• <u>Department of Veteran Affairs service department correspondence or contact including documents relating to release, discharge, or transfer; identification card indicating service veteran status</u></li> <li>• <u>Information made known to the agency including in-person agency verification of a visibly obvious ABAWD status or exemption, such as pregnancy or inability to work due to a temporary or permanent health condition</u></li> </ul>

	<ul style="list-style-type: none"> <li>• <u>IM worker determination that a person is unfit for employment (without requiring a statement or additional verification)</u></li> <li>• <u>Information known to the agency</u></li> <li>• <u>Collateral contact</u></li> <li>• <u>Other acceptable written statement</u></li> </ul>
Age	<ul style="list-style-type: none"> <li>• Birth certificate</li> <li>• IEVS match</li> <li>• Baptismal certificate</li> <li>• Military service papers</li> <li>• Immigration or naturalization papers</li> <li>• Hospital birth record</li> <li>• Adoption record</li> <li>• Passport or U.S. citizen ID card</li> <li>• Driver's license</li> <li>• Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support or divorce papers)</li> <li>• Life insurance policy</li> <li>• School records (ID, report cards, diploma)</li> <li>• State/federal or Indian census records</li> <li>• Wisconsin birth query</li> </ul>
Relationship	<ul style="list-style-type: none"> <li>• Birth record query</li> <li>• Birth certificate</li> <li>• Baptismal certificate</li> <li>• Military service papers</li> <li>• Immigration or naturalization papers</li> <li>• Hospital birth record</li> <li>• Adoption record</li> <li>• Family Bible</li> <li>• Confirmation or church membership papers</li> <li>• Family records (birthday books, genealogy, newspaper birth announcement, marriage license, support, or divorce papers)</li> <li>• Life insurance policy</li> </ul>
Household Composition	<ul style="list-style-type: none"> <li>• Written or oral statement from a third party</li> <li>• FoodShare Buy and Make Food Separately (<a href="#">F-02491</a>) signed by applicant indicating food is purchased and prepared separately from other household members</li> </ul>

School Enrollment Status	<ul style="list-style-type: none"> <li>• Report card</li> <li>• Collateral contact with school authorities</li> <li>• Current school schedule</li> <li>• Enrollment letters</li> <li>• Financial aid papers</li> <li>• Literature from the school (brochure or online program information)</li> <li>• Collateral contact with Job Center of Wisconsin, FSET, or an employment agency</li> </ul>
<u>Substantial Lottery or Gambling Winning</u>	<ul style="list-style-type: none"> <li>• <u>Member statement</u></li> <li>• <u>Wisconsin Lottery Winner Claim Form</u></li> <li>• <u>W-2G Certain Gambling Winnings Form</u></li> <li>• <u>Letter from lottery commission or gaming entity</u></li> <li>• <u>Another State's Lottery Claim Form</u></li> <li>• <u>Any documentation that identifies the source of the payment, winner(s) name, address, date of the winning, and gross amount before taxes</u></li> </ul>

\* Lack of verification will not affect eligibility, but the deduction will not be allowed.

\*\*Information may only be verified once; additional request for verification is prohibited.

### Household Misfortune Replacement Benefits

Lost or destroyed food	<ul style="list-style-type: none"> <li>• Power outage map</li> <li>• Statement from utility company</li> <li>• Statement from insurance company</li> <li>• Report from fire department</li> <li>• Disconnection notice</li> <li>• Receipt from purchase of replacement freezer or refrigerator</li> <li>• Landlord statement</li> <li>• Non-household member collateral statement</li> <li>• Statement from community organization</li> </ul>
------------------------	---

## 2.1.3 Interviews

### 2.1.3.2 Completing the Interview

#### 2.1.3.2.1 Required Interview Topics

All FoodShare interviews must include a discussion of the following items in addition to standard financial and non-financial eligibility criteria:

- Use of SSNs (see Section 3.13.1 Social Security Number (SSN) Requirements)
  - A SSN is required for each individual requesting benefits unless they meet a religious exemption.
  - SSNs are used for data matching. Data matches are used to check that you can get and keep getting benefits.
- FoodShare rights and responsibilities (see Your Rights and Responsibilities for FoodShare (F-10150B))).
- Appropriate application processing standard time frames for non-expedited (see Section 2.1.2 Application Processing Time Frame) and expedited benefits (see SECTION 2.1.4 EXPEDITED SERVICE AT APPLICATION).
- Applicable change and simplified reporting requirements (see SECTION 6.1.1 CHANGE REPORTING FOR ALL FOOD UNITS (SIMPLIFIED)) at the time of the interview.
  - How changes can be reported.
  - What changes must be reported.
  - When changes must be reported.
- Six-month reporting (see SECTION 6.1.2 SIX MONTH REPORTING REQUIREMENT) ~~and/or~~ renewal (see Section 2.2.1 Certification Periods (Renewals))
  - How to obtain assistance in completing the Six-Month Report Form (SMRF).
  - When the Six-Month Report Form (SMRF) will be sent.
  - When the report form is due.
  - Consequence for failing to file a report.
  - Changes that must be reported on the Six-Month Report Form (SMRF):
    - Address and shelter and utility costs associated with ~~the move~~ a new residential address
    - Household composition
    - Income
    - Substantial Lottery or Gambling Winnings
    - Court-ordered child support payments for a non-household member
    - ~~Consequences for failing to file a report~~
- QUEST card information
- Explanation of FoodShare Basic Work Rules (see SECTION 3.16.1 FOODSHARE BASIC WORK RULES) and FoodShare Work Requirements (see SECTION 3.17.1 FOODSHARE WORK REQUIREMENTS FOR ABAWDS), if the food unit includes an applicant or member subject to a work requirement.

- IM workers must identify which applicant(s) or member(s) are subject to FoodShare basic work rules and FoodShare work requirements and provide the following information:
  - An explanation of each work rule and applicable work requirement.
  - Information on exemptions from each applicable work rule and work requirement.
  - An explanation of the process to request an exemption, including contact information to request an exemption.
  - FoodShare rights and responsibilities.
  - What is required to maintain eligibility under each work rule and applicable work requirement.
  - Consequences for failure to comply with each work rule and applicable work requirement.
  - An explanation of the process for requesting good cause, including examples of good cause circumstances and contact information to initiate a good cause request.
  - Information on the FoodShare Employment and Training Program (FSET) and benefits of FSET participation if the food unit includes an individual subject to the FoodShare Work Requirements.
  - Information on the status of the time limit of the FoodShare Work Requirement if the household lives in an area or on tribal lands where the time limit of the FoodShare Work Requirement is ~~waived~~suspended.
- The appropriate sections of the "[FoodShare Basic Work Rules and FoodShare Work Requirements Script for IM Workers](#)" must be read to meet the above requirements.
  - Discuss the FSET program and offer voluntary referrals to FSET to eligible FoodShare members.
  - At the end of the call, the "[Reporting Requirements Call Script](#)" must be read.

### **2.1.3.3 Use of an Authorized Representative**

---

7 CFR 273.2(n)

The local agency must inform applicants and prospective applicants, who indicate that they may have difficulty completing the application process, that a non-food unit member may be designated as the authorized representative for application processing purposes. The authorized representative designated for application processing purposes may also carry out food unit responsibilities during the certification period, such as reporting changes in the food unit's circumstances.

An authorized representative applying on behalf of a household must:

- Have their identity verified, along with the primary person.
- Be designated by the primary person in writing before they are authorized to take action on the case.



- Register the food unity unit for work when completing the application or renewal for the food unity unit (see [SECTION 3.16.1.4 REGISTERING FOR WORK](#)).

The designation of a representative requires a signature from a witness. An individual declared incompetent by a court cannot act as a witness for a signature.

A non-food unit member may be designated as an authorized representative for the food unit provided that the person is both:

1. An adult who is sufficiently aware of relevant food unit circumstances, and,
2. The authorized representative designation has been made in writing by the primary person, spouse, or another responsible adult member of the food unit. The authorized representative designation may be made in ACCESS or by completing the Appoint, Change, or Remove an Authorized Representative form ([F-10126A](#) for an individual or [F-10126B](#) for an organization).

The following groups may not serve as authorized representatives:

- Individuals who are disqualified for an Intentional Program Violation (IPV) (see Section 3.14.1 Intentional Program Violation (IPV) Disqualification) cannot serve as authorized representatives during the disqualification period, unless the agency has determined that no one else is available to serve as an authorized representative.
- Homeless meal providers may not act as an authorized representative for a homeless food unit.
- Agency employees who are involved in the certification process or issuance process may not act as an authorized representative. Special written approval may be granted by the State of Wisconsin in extenuating circumstances.
- Retailers who are authorized to accept FoodShare benefits may not act as an authorized representative, with the exception of some group living facilities (see [SECTION 3.2.1.6 GROUP LIVING ARRANGEMENT](#)).

Residents of drug addiction or alcoholic treatment and rehabilitation programs that are certified as authorized retailers by FNS or authorized to receive funding under part B of title XIX of the Public Health Service Act (42 U.S.C 300x et seq), which supports block grants for substance abuse prevention and treatment, must apply and be certified for FoodShare eligibility through the use of an authorized representative. The drug addiction or alcoholic treatment and rehabilitation program must employ an individual for the purpose of being the authorized representative.

Residents of group living arrangements have the option to apply and be certified through the use of an authorized representative independent of the facility or who is an employee of the facility. A residential group living facility must employ an individual to be the authorized representative. When the member is discharged from a residential treatment program, the facility authorized representative must be removed from the member's case.

See [SECTION 3.2.1.5 RESIDENTIAL CARE APARTMENT COMPLEXES \(RCAC\)](#) for additional information regarding these housing situations.

If the state agency has determined that an authorized representative has knowingly provided false information about a food unit's circumstances or has made improper use of FoodShare benefits, it may disqualify that person from being an authorized representative for up to one year. Any drug and alcohol treatment centers and the heads of group living arrangements that act as authorized representatives for their residents and intentionally misrepresent food unit circumstances may be prosecuted under applicable federal and state statutes.

**Note** Applicants or members that have a court-appointed guardian due to incompetency do not need to designate an Authorized Representative. The court-appointed guardian is the authorized representative. The guardian must submit a Letter(s) of Guardianship.

## 2.1.4 Expedited Service at Application

7 CFR 273.2(i)

~~Expedited~~Priority services are designed to ensure that expedited ~~services~~benefits are issued to eligible FoodShare assistance groups by the seventh day after the date of the application. The applicant must be allowed to complete the interview quickly and benefits must be issued timely. The two phases of expedited services are described below.

- **Priority Service:** Screens all applications for potential eligibility for expedited issuance and faster service from the agency (see SECTION 2.1.4.1 ELIGIBILITY FOR EXPEDITED SERVICE AT APPLICATION).
- **Expedited Issuance:** Benefits must be issued by the seventh day after the application is filed. Benefits will be available on the member's QUEST card the same day the application is confirmed in CWW.
- Members approved for expedited benefits must be offered the opportunity to come into an agency to receive a Temporary QUEST Card if they do not have an active QUEST card on file and available to them. This offer must be made by the worker on the same day the member is approved for expedited issuance, or on the next business day after the member is approved for expedited issuance (see SECTION 7.2.1.2 TEMPORARY QUEST CARD~~-An interview is still required prior to issuance unless postponed (see ). Postponing the Interview for Expedited Benefits~~).

All food units that apply after the 15th of the month and who are eligible for expedited issuance must receive the prorated initial allotment and next month's allotment by the seventh day after the application filing date.

Agencies must provide expedited benefits to applicants who qualify for them after they are screened through the priority service process.

When contact is made by phone, every effort should be made to complete the FoodShare interview on the same day whenever possible. If an interview cannot be completed that day, an interview appointment must be offered to be scheduled within the seven-day time frame ~~at the time of contact with the agency~~. If an applicant cannot make the scheduled appointment, the applicant will lose their right to expedited benefits.

## 3.2.1 Residence

### 3.2.1.2 Temporary Absence

A FoodShare member ~~or household~~ is ~~considered~~ temporarily absent when they ~~will be~~ are out of the home for an extended period ~~of time (there, with the intent of returning home. Multiple FoodShare members or an entire FoodShare household could be temporarily absent. There is no time limit) yet return home.~~ to the amount of time a member can be temporarily absent.

A member or household can ~~either~~ stay in Wisconsin or ~~in another~~ out of state during their temporary absence. A member may be temporarily absent for various reasons. Examples of a temporary absence include, but are not limited to, illness or hospitalization, employment, caring for someone outside of one's home, child visitation schedules, and extended vacations.

To be considered temporarily absent, a person must have already been part of the food unit and receiving benefits prior to the start of their absence. A member or household's temporary absence ~~status is~~ must be re-evaluated at renewal.

<u>Example</u> <u>5</u>	<u>Daniel applies for FoodShare on behalf of his roommate Grace and himself. Daniel says that Grace is currently receiving in-patient substance abuse treatment outside of Wisconsin and will return to the household sometime in the next few months. Grace is not considered temporarily absent since she was not a part of the household at the time of the application. She is not included in the assistance group. When Grace returns from treatment, she may be included in the assistance group if she passes all the non-financial and financial eligibility requirements.</u>
----------------------------	---

Note Do not require verification of Wisconsin residency for individuals or households claiming to be temporarily absent.

~~Individuals are~~ A person is no longer considered temporarily absent, ~~but rather~~ and ineligible for FoodShare in Wisconsin, when any of the following occur:

- ~~An individual~~ The household notifies the IM agency that ~~they~~ the temporarily absent person(s) is no longer ~~reside in a~~ Wisconsin resident.
- Another state determines ~~an individual~~ a person is a resident ~~in that state~~ for SNAP eligibility.
- The household notifies the IM agency that the temporarily absent person(s) do not intend to return to the home, even if they will continue residing in Wisconsin.

#### Additional Considerations

- **Residential Drug and Alcohol Treatment Programs:** When a member participates in a residential drug and alcohol treatment, the member is

considered temporarily absent for the duration of their treatment (see SECTION 3.2.1.8 DRUG AND ALCOHOL TREATMENT CENTERS).

- **Homelessness:** Temporary absence policy does not apply to homeless ~~individuals~~persons and homeless households. Residency for homeless ~~individuals~~persons and homeless households remains not questionable if they claim they are a Wisconsin resident, and another state has does not ~~considered~~consider them a resident.
- **Attending School:** Persons absent due to attending school, and living on campus or in an apartment separate from the food unit, they are no longer included in the food unit and need to apply for their own benefits. If the individual is attending school in another state, they need to apply for ~~their own~~ benefits in that state.
- **Institution:** Persons that have resided in an institution for more than 30 days are not temporarily absent; they no longer reside in the home. Additionally, if a medical institution attests that the person will ~~be~~ likely ~~to~~ stay more than 30 days, they too are not temporarily absent; they no longer reside in the home.
- **Hospitalized Newborn:** ~~Infants who remain hospitalized for an extended period of time should be~~ Newborns are added to the food unit at birth and will remain part of the food unit during any extended periods of hospitalization.
- **Nesting Agreement:** Parents temporarily absent due to a nesting agreement ~~should be~~ are included in the food unit (see SECTION 3.2.1.1 JOINT OR SHARED PHYSICAL CUSTODY OF CHILDREN).

Example <u>56</u>	John receives FoodShare but had to go to Georgia to take care of a sick relative. John will be returning to Wisconsin after alternative care has been arranged. John is temporarily absent and remains eligible for FoodShare.
----------------------	--

## 3.16.1 FoodShare Basic Work Rules

### 3.16.1.1 Background

---

Federal regulations require FoodShare applicants and members to comply with FoodShare basic work rules and ABAWD/FoodShare work requirements as a condition of FoodShare eligibility. Policy related to ABAWD/FoodShare work requirements for certain adults aged 18 to [49-52](#) is located in [SECTION 3.16.1.2 FOODSHARE BASIC WORK RULES](#).

FoodShare Employment and Training (FSET) is a voluntary program for all FoodShare applicants and members. The FSET program serves people who wish to voluntarily enroll, and benefits cannot be sanctioned or terminated for non-participation. All FSET policy and some additional ABAWD policy pertaining to the ABAWD/FoodShare work requirement is in the [FSET Handbook](#).

### 3.16.1.3 Exemptions from the FoodShare Basic Work Rules

---

Some FoodShare applicants and members are exempt from the basic work rules in [SECTION 3.16.1.2 FOODSHARE BASIC WORK RULES](#). The following applicants and members are exempt from the basic work rules:

- A person 16-17 years of age who is not the primary person in a food unit.
- A person 16-17 years of age who is the primary person in a food unit but who is enrolled in school or in an employment and training program at least half-time.
- A person determined unfit for employment, which includes a person who is one of the following:
  - Receiving temporary or permanent disability benefits from the government or a private source.
  - Mentally or physically unable to work, as determined by the income maintenance (IM) or FSET agency.
  - Verified as unable to work by a statement from a health care professional or a social worker.
- A person participating in and complying with the Wisconsin Works (W-2) program requirements.

Note If a person is open for W-2 in CWW, they are in compliance with the W-2 program work requirement.
- A parent or other food unit member who is the primary caregiver for a dependent child younger than six years old (whether the child lives in the home or out of the home). If two people are exercising parental control of a child, only one of those people can be exempt from basic work rules as the primary caretaker of that child.

- A parent or other food unit member who is the primary caregiver for a person who can't care for themselves (whether the person lives in the home or out of the home).
- A person who has applied for or is receiving unemployment compensation (UC).

Note If UC is denied or has ended, the member is no longer exempt regardless of the reason.

- A person regularly participating in an alcohol or other drug abuse (AODA) treatment or rehabilitation program. Treatment and rehabilitation programs that meet the exemption include, but are not limited to:
  - Medically-managed inpatient services
  - Medically-monitored treatment services
  - Day treatment services
  - Outpatient treatment services
  - Transitional residential treatment service
  - Narcotic treatment services for opiate addiction

Note Participating in an Alcoholics Anonymous (AA) and Narcotics Anonymous (NA) program does not meet the criteria for this exemption. However, if an applicant or member has a drug or alcohol addiction that may make them unfit for employment due to illness. They may be exempt from both the general FoodShare work registration requirements and the ABAWD work requirement. In such cases, an IM worker must document the exemption.

- An employed or self-employed person working 30 or more hours per week or earning wages equivalent to 30 or more hours per week at the federal minimum wage.
  - This includes migrant and seasonal farm workers under contract or similar agreement with an employer or crew chief to begin employment within 30 days.
- A person who is enrolled at least half-time in any recognized school, training program, or institution of higher education.
- An individual who jointly applies for SSI and FoodShare ~~would be~~is exempt from basic work rules until a disability determination is made. If they are determined ineligible for SSI, the exemption from the Basic Work Rules ~~should be~~is re-evaluated.

~~Social Security Administration (SSA) offers all households where all members are applying for Social Security Insurance (SSI) benefits, the opportunity to apply for FoodShare.~~

Verification for an exemption from the basic work rules is not required unless the exemption is questionable.

Note

There are some differences between exemptions from the FoodShare basic work rules and exemptions from the ABAWD/FoodShare Work Requirement (see [SECTION 3.17.1.3](#))

## 3.17.1 FoodShare Work Requirements for ABAWDs

### 3.17.1.1 Able-Bodied Adults Without Dependents (ABAWDs)

An ABAWD is an Able-bodied Adult Without Dependents:

Able-bodied	<ul style="list-style-type: none"> <li>• Fit for employment</li> <li>• Not pregnant</li> <li>• Not covered by a <del>waiver</del><u>suspension</u> of the time limit or exemption</li> </ul>
Adult	<ul style="list-style-type: none"> <li>• Aged 18 to <del>49</del><u>52</u>*</li> </ul>
Without Dependents	<ul style="list-style-type: none"> <li>• Not a parent of a food unit member under 18</li> <li>• Not residing in a household where a food unit is under 18</li> </ul>

\*The Fiscal Responsibility Act of 2023 changed the age range for ABAWD members.

- Prior to September 1, 2023, the age range is 18 to 49 years old.
- Between September 1, 2023, and September 30, 2023, the age range is 18 to 50 years old.
- Between October 1, 2023, and September 30, 2024, the age range is 18 to 52 years old.
- From October 1, 2024 and going forward, the age range is 18 to 54 years old.

When a new age range period begins, existing FoodShare members that are older than the new age range will not be subject to the adjusted age range until they complete a renewal.

Example 1	<p><u>Anna applied for and was determined eligible for FoodShare benefits in June 2023. Anna is 51 years old at the time of application. Anna is not an ABAWD due to her age because until September 1, 2023 the age range for ABAWDs was 18 to 49 years old. Even though the age range for ABAWDs increased to age 52 as of October 1, 2023, Anna cannot be considered an ABAWD until she completes her renewal. Anna completes the required renewal in June 2024. Anna is now 52 years old . Anna is not working and does not meet any other exemptions. Anna is determined to be an ABAWD effective the start of her next certification period on July 1, 2024.</u></p>
-----------	--

Note	The FoodShare work requirement is also <u>sometimes</u> referred to as the ABAWD work requirement.
------	--



ABAWDs must either meet the FoodShare work requirement or an exemption from the FoodShare work requirement to continue to receive FoodShare benefits. ABAWDs who do not meet the work requirement may only receive up to three full months of time-limited benefits (TLBs) in the current [FoodShare clock](#) three-year period.

### 3.17.1.3 Determining Exemptions From the FoodShare Work Requirement

---

Identification and correct determination of ABAWD exemptions impacts whether members are subject to TLBs and maintain eligibility for benefits. Members may cycle on and off FoodShare benefits and may gain or lose exemptions for a variety of reasons.

A FoodShare applicant or member is determined exempt from the FoodShare work requirement if they meet any one of the following exemption criteria, as determined by the IM agency:

- Under age 18\* or age [5053](#)\*\* and older
  - \*Under Age 18: ABAWD status applies the month following the month the FoodShare member or applicant turns age 18.
  - \*\*Age [5053](#) and older: ABAWD status no longer applies the first day of the month an ABAWD turns age [5053](#).
- Residing in a food unit with a child under age 18\*\*\*
  - \*\*\*Individuals who reside with and are included in the same food unit as a child under age 18 are non-ABAWDs, even if that child is ineligible for FoodShare (see Section 3.3.1.1 HUG (Households, Units, Groups) for food unit requirements).
- Pregnant
- Determined unfit for employment, which includes someone considered any of the following:
  - Receiving temporary or permanent disability benefits from the government or a private source.
  - Mentally or physically unable to work as determined by the IM agency.
  - Displaying mental instability, combativeness, or other mental health issues. (Per direction from FNS, the IM worker should consider the member unfit for work and document an exemption without requiring verification from a health care professional.)
  - Verified as unable to work by a statement from a health care professional or a social worker (may use the Medical Exemption from Work Requirement for Able-Bodied Adults Without Dependents form ([F-01598](#)) to verify).
  - Experiencing chronic homelessness. (A person is chronically homeless if they currently lack a fixed, regular nighttime residence and do not expect to have a regular nighttime residence in the next 30 days. This includes people who are in a temporary housing situation, such as transitional living arrangements)

- ~~Primary caretaker of a dependent child under age six or an incapacitated person (may be part of the food unit or in a separate household).~~

Note

The definition of homelessness for the FoodShare work requirement exemption is the same as the definition of homelessness used for residency (see SECTION 3.2.1.3 HOMELESSNESS).  
~~For situations where more than one individual shares caregiving responsibilities for a child under age six or an incapacitated person, the agency should work with the member to determine which individual has primary responsibility for care of the child or incapacitated person. The other individual's care giving responsibilities can be seen as work and the hours can count towards meeting the FoodShare work requirement, (see SECTION 3.17.1.2.1 DEFINITION OF WORKING FOR FOODSHARE WORK REQUIREMENT FOR ABAWDS).~~

~~In most situations, only one individual may claim exemption under this provision for the care of an incapacitated individual. However, there may be an exception with medical documentation which specifies that more than one person is needed to provide the required care. (for the complete definition).~~

- Veteran, including any person who has served in any branch of the United States Armed Forces (including the Army, Marine Corps, Navy, Air Force, Space Force, Coast Guard, National Guard, and Armed Forces Reserve) regardless of discharge or release condition.
- Former Foster Care Youth including any person who is 18 to 24 years old who was previously in a foster care program at the time when they turned 18 years old. Foster care programs include foster care, court ordered kinship care, subsidized guardianship, and adoption assistance.
- Primary caretaker of a dependent child under age six or a person who can't care for themselves (may be part of the food unit or in a separate household).

Note For situations where more than one person shares caregiving responsibilities for a child under age six or a person who can't care for themselves, the agency should work with the applicant or member to determine which person has primary responsibility for care of the child or person who can't care for themselves. The other person's care giving responsibilities can be seen as work and the hours can count towards meeting the FoodShare work requirement, (see SECTION 3.17.1.2.1 DEFINITION OF WORKING FOR FOODSHARE WORK REQUIREMENT FOR ABAWDS).

In most situations, only one person may claim exemption under this provision for the care of an person who can't care for themselves. However, there may be an exception with medical documentation which specifies that more than one person is needed to provide the required care.

- Exempt from the FoodShare basic work rules (see SECTION 3.16.1.3 EXEMPTIONS FROM THE FOODSHARE BASIC WORK RULES for more details and full list of basic work rules exemptions).
  - Receives Unemployment Compensation (UC), or has applied for UC, and is complying with UC work requirements.
  - Regularly participates in an alcohol or other drug abuse (AODA) treatment or rehabilitation program.
  - A student ~~age~~aged 18 years or older who is enrolled at least half-time in high school. Enrollment in a GED or HSED program does not qualify for the exemption (though it might be an assigned activity that counts towards the required hours for an ABAWD choosing to meet the work requirement through FSET participation).
  - A student of higher education who is otherwise eligible for FoodShare (see Section 3.15.1 Student Eligibility).
  - Is not a work registrant due to working 30 or more hours per week or earning wages equivalent to 30 or more hours per week at the federal minimum wage
  - Complying with Wisconsin Works (W-2) program requirements.

Workers must document exemptions in case comments.

**Note** If an ~~individual's~~person's child is coded as out of the home, including children placed in foster care and children coded as out of home tax dependents, ~~they~~the applicant or member would be considered an ABAWD unless otherwise exempt.

~~Individuals~~Persons who reside in an area where the time limit of the FoodShare work requirement is ~~waived~~suspended or are a tribal member living on tribal land where the time limit of the FoodShare work requirement is ~~waived~~suspended are not considered exempt. Rather, if no other exemptions are met they would be an ABAWD who is not subject to the time limit and they would not accrue TLBs.

<p><b>Example 2</b></p>	<p><del>An IM worker conducts a FoodShare renewal interview over the telephone with Jolene. Jolene explains that she is homeless and currently sleeping at a temporary shelter at night and does not know when she will find permanent housing. The worker determines Jolene is exempt from the FoodShare work requirement due to being chronically homeless and a non-ABAWD.</del></p>
<p><b>Example 3</b></p>	<p>An IM worker conducts a <del>renewal</del> FoodShare <u>renewal</u> interview over the telephone with <del>Ronald. Ronald</del><u>Jolene</u>. <u>Jolene</u> explains that <del>he</del><u>she</u> is <u>living homeless and currently sleeping at his friend's house, but he is a temporary shelter at night and does not</u> <del>on the lease and cannot use it as a mailing address. Ronald plans to continue living with his friend.</del><u>know when she will find permanent housing.</u> The worker determines <del>that Ronald is not chronically</del><u>Jolene is exempt from the FoodShare work requirement due to being</u> homeless.</p>

Example 4	An IM worker conducts a renewal FoodShare interview over the telephone with Ronald. Ronald explains that he is living at his friend's house, but he is not on the lease and cannot use it as a mailing address. Ronald plans to continue living with his friend. The worker determines that Ronald is not homeless.
--------------	---

### 3.17.1.4 Verification of Work Hours and Exemptions From FoodShare Work Requirement

Verification of exemptions from the FoodShare work requirement ~~must~~ is not required unless otherwise noted as a part of eligibility requirements or deemed questionable.

If a reported exemption is determined to be ~~verified~~. Some types questionable, examples of verification include the following:

- Agency form
- Statement from health care, social worker, or AODA professional
- Data exchanges ~~considered verified upon receipt (for example, unemployment, SSA)~~
- By using Department of Veteran Affairs service department correspondence or contact including documents relating to release, discharge, or transfer; identification card indicating service veteran status
- Using information known to the IM agency
- Collateral contact
- Other acceptable written statement

Another option to verify if a member is physically or mentally unable to work is the Medical Exemption from Work Requirement for ABAWD form ([F-01598](#)). The form is not required, and IM workers must accept other forms of verification for this exemption, if questionable.

ABAWD Hours Worked must be verified. Some types of acceptable verification include:

- Employer form/paystub/tax document/EVF-E<sub>2</sub>
- Written statement from the employer, work program, or volunteer site<sub>2</sub>
- Employer, work program, or volunteer site contact<sub>2</sub>

As long as an exemption exists for part of a month, the member is exempt for the entire month. If the ABAWD meets the 80-hour FoodShare work requirement, the ABAWD cannot accrue a TLB for that month. ~~Upon receipt of the~~ When applying an exemption verification or verification of verified work hours, workers must determine when the individual initially became exempt or began meeting the work requirement and remove TLBs that were incurred while the individual was exempt or meeting the FoodShare work requirement. ~~An~~ If an IM worker deems an exemption questionable, an exemption or status change will not be applied until it is verified, ~~so an~~. An ABAWD with a ~~pending~~ an exemption deemed questionable will receive TLBs until the verification is received.

IM agency staff may use the FSET provider as a collateral contact or to provide an acceptable written statement to assist in the determination of ABAWD exemptions or verification of work hours. The IM worker makes the final determination whether to apply an exemption or status change to the member's case.

The effective date of an exemption is the first of the month the exemption situation exists as long as verification is provided. The FoodShare Clock Page may need to be adjusted once verification of an exemption is provided (see [SECTION 3.17.1.13 ADJUSTING FOODSHARE CLOCK PAGE](#)).

<p>Example <u>45</u></p>	<p>Angela is an ABAWD who is not meeting the FoodShare work requirement and does not claim an exemption during her application interview on July 7, <del>so a</del>. A referral is sent to FSET. Angela receives the FSET referral letter, which lists the ABAWD exemptions <del>and types of proof that can be submitted</del>. On August 25, Angela reports to her IM worker that she started regularly participating in an AODA treatment program on August 10 <del>and is sent a verification request with a due date of September 5. If</del>. <u>The IM worker did not determine the reported exemption to be questionable</u>. Angela <del>submits verification, she</del> will be treated as a non-ABAWD as of August 1 due to having <u>a verified an</u> exemption.</p>
<p>Example <u>56</u></p>	<p>Olive applies and is determined eligible for FoodShare beginning April 19. During the application interview, Olive <del>reported</del> <u>reports</u> that she <del>was exempt due her current pregnancy</del>. <u>is pregnant</u>. The IM worker <del>does not request verification of her</del> <u>determines that Olive's</u> pregnancy <del>because</del> <u>meets</u> the <u>appointment is in person exemption</u> and <u>Olive's pregnancy that it is</u> <del>visibly obvious to the worker</del>. <u>not questionable</u>. Olive will be a non-ABAWD effective April 1.</p>
<p>Example <u>67</u></p>	<p>Chip is an ABAWD who needs to meet the FoodShare work requirement. He did not work or have an exemption and earned TLBs in June, July, and August. He started working 25 hours per week and met the FoodShare work requirement in September.</p> <p>-On December 1 of that same year, Chip reports that his 14-year-old daughter had moved into his apartment in July. The worker adds Chip's daughter to his food unit and adjusts the status of the FoodShare Clock to "EX-Exempt" for the months of July and August. The worker notes the removal of the July and August TLBs in case comments.</p>

### ~~3.17.1.5 THREE COUNTABLE MONTHS OF TIME-LIMITED FOODSHARE BENEFITS (TLBS)~~ Good Cause for the FoodShare Work Requirement

~~ABAWD eligibility~~ ABAWDs can report good cause hours for a month they were not meeting the Foodshare work requirement, and a TLB was applied. Good cause hours that are applied to a case may allow an ABAWD to meet the FoodShare work requirement and maintain FoodShare eligibility if they are unable to temporarily meet the work requirement. ABAWDs can report good cause hours at any time, even after Foodshare eligibility has closed due to receiving three TLBs.

Good cause hours may be granted for circumstances beyond the member's control that resulted in the member missing work or work activity hours such as, but not limited to:

- Work activity was cancelled
- Discrimination
- Family issues
- Illness or personal health reasons
- Inclement weather
- Legal issues
- Lack of transportation
- Unreasonable job demands
- Unanticipated emergency

When making decisions about granting good cause hours, IM workers must consider all facts and circumstances and seek additional information from other sources for clarification, as needed. IM agencies may request verification of good cause hours if it is deemed questionable.

IM and FSET workers can only apply up to a combined total of 40 good cause hours toward a member's TLB month. If the member meets the work requirement, with the addition of the up to 40 good cause hours, the member's TLB month is removed.

Example 8	<u>Adrian, an ABAWD working part-time at 25 hours per week, applied for FoodShare on January 10. During the months of February and March he received TLBs because he did not work sufficient hours to meet the work requirement. Adrian had car issues in March that resulted in him needing to use the bus. Because the bus route did not align with his work schedule, Adrian temporarily reduced his work hours to 17 hours per week. On April 4, Adrian called the IM agency and reported good cause hours for the month of March (his second TLB month) due to transportation issues. The worker determined the good cause hours not questionable. The worker applied the reported good cause hours, along with his verified part-time employment, to meet the work requirement for the month of March and remove the TLB. Adrian has two TLBs left during the current three-year fixed clock period.</u>
--------------	--

If a member requests greater than 40 hours of good cause, the IM worker must have a conversation with the member to determine if the issue is temporary or chronic and if an exemption should be applied. See SECTION 3.17.1.3 DETERMINING EXEMPTIONS FROM THE FOODSHARE WORK REQUIREMENT for allowable exemptions.



Example 9	Joe is an ABAWD member that had a serious illness that prevented them from meeting the work requirement for more than 40 hours in one month would be considered unfit for unemployment due to physical or mental illness. An exemption must be applied. If the member had a temporary transportation issue resulting in a request of over 40 hours of good cause for a month, a discretionary exemption must be applied for that month because transportation issues are not a qualifying exemption from the FoodShare work requirement.
--------------	--

If the good cause request is a chronic issue, the IM worker must first determine if the individual qualifies for an exemption in SECTION 3.17.1.3 DETERMINING EXEMPTIONS FROM THE FOODSHARE WORK REQUIREMENT ~~is limited to three months of TLBs in the current~~. If the individual does not meet one of the exemption criteria, the IM worker must not apply a discretionary exemption to the case. IM workers must discuss alternative options for mitigating the impact of the barrier such as referring the member to the local FSET agency, discussing other work requirement participation options, and referrals to outside government and community agencies.

### 3.17.1.5-6 Three Countable Months of Time-Limited FoodShare Benefits (TLBs)

ABAWD eligibility for FoodShare is limited to three months of TLBs in the current three-year clock period if an ABAWD is not meeting the FoodShare work requirement and does not have a qualifying exemption. The three TLB months do not have to be consecutive.

An ABAWD will accrue a TLB month any month in which the ABAWD received a full month of FoodShare benefits and the member:

- Is not meeting the FoodShare work requirement; and
- Does not meet an exemption from the FoodShare work requirement; or
- Does not verify an exemption from the FoodShare work requirement.

An ABAWD will not accrue a TLB month any month in which the ABAWD does one of the following:

- Received pro-rated FoodShare benefits
- Is covered by a ~~waiver~~ suspension of the time limit

Example 710	Linda, an ABAWD who is not meeting the FoodShare work requirement, applied for FoodShare and was found eligible with a 12-month certification period of July 2 through June 30. Linda's first TLB month is August because July benefits were prorated.
----------------	--

Example 811	Libby is an ABAWD who earned two TLBs in November and December. On January 5, Libby reports and verifies that her roommate's child moved into her home on December 21. Libby,
----------------	---

	her roommate, and her roommate’s child are in the same food unit. Libby’s status changes to non-ABAWD effective December 1, the month the exemption began.
--	--

**3.17.1.6-7 The Three-Year Period (FoodShare Clock)**

**3.17.1.7-8 Regaining Eligibility After Exhausting Three Months of Time-Limited Benefits**

**3.17.1.8-9 Three Additional Months of FoodShare Benefits**

**3.17.1.9-10 Countable Months From Another State**

7 CFR 273.2(f)(1)(xiv)(B)

The IM worker must verify the number of time-limited benefit (TLB) months and additional months received in another state as an additional condition of eligibility for ABAWDs. Time-limited benefit months and additional months received in another state are countable months if received during Wisconsin’s current three-year fixed clock period.

Prior to certification, if there is indication that an adult food unit member aged 18-49-52 received SNAP in another state, the IM agency must verify the number of countable months, including additional months, that the individual received in the other state. The IM agency must specify Wisconsin’s current three-year clock period or request the month and year the countable months were received in the other state.

Verification of countable months in another state prior to certification must not delay processing of the application beyond regular timeliness processing standards.

**Note** TLB months do not need to be verified for individuals who received benefits in Puerto Rico or American Samoa. Puerto Rico and American Samoa do not operate a SNAP program. Instead, they operate a block grant for their programs, so they are not subject to the same rules and regulations as SNAP.

Example 19	Zayne is 33 years old and lived in Ohio from October 2010 until he moved to Wisconsin in December of 2023. Wisconsin’s current three-year clock started on January 1, 2022, and will end on December 31,
------------	--



	<p>2024. Zayne applied for FoodShare in Wisconsin on December 17, 2023. During Zayne's FoodShare interview, he reported receiving SNAP benefits in Ohio during Wisconsin's current three-year period. Because Zayne is an adult aged 18-49 and indicated receipt of SNAP benefits in Ohio, the worker must verify the number of countable months Zayne used in Ohio. The IM worker must also ask Ohio for Zayne's benefit end date to complete the required duplicate benefit check at this time. The IM worker hears back from Ohio within one week and learns that Zayne earned countable months (TLBs) in April of 2023 and May of 2023. Zayne is determined eligible for FoodShare benefits in Wisconsin as an ABAWD and will receive prorated benefits for December 2023. Zayne's Wisconsin clock will reflect two TLBs earned for April 2023 and May 2023.</p>
--	--

<p>Example 20</p>	<p>Sheila is 24 years old and lived in Indiana from September 2020 until she moved to Wisconsin in July of 2024. Wisconsin's current three-year clock started on January 1, 2022, and will end on December 31, 2024. Sheila applied for Foodshare July 12, 2024, and reported she was not working and did not have any exemptions from the FoodShare work requirement. During Sheila's FoodShare interview, she reported receiving SNAP benefits in Indiana during Wisconsin's current three-year period. Because Sheila is an adult aged 18-49 and indicated receipt of SNAP benefits in Indiana, the IM worker must verify the number of countable months Sheila used in Indiana and verify her benefit end date. The IM worker hears back and learns that Sheila earned countable months (TLBs) in September, October, and November of 2023. Sheila also used additional months in February, March, and April of 2024. Sheila does not meet policy requirements for regaining eligibility and is denied eligibility because she has exhausted her TLBs and additional months.</p>
-------------------	--

States that have a ~~geographic waiver~~ suspension of the time limit of the work requirement for ABAWDs who live in geographic areas experiencing employment at higher rates than the national average do not apply the time limit during the ~~waiver~~ suspension period. States that have a partial ~~geographic waiver~~ suspension for specific geographic areas may implement the time limit in portions of their state and those that do not have a waiver apply the time limit of the work requirement for ABAWDs statewide.

IM workers may use the link below to check if the other state was under a ~~geographic waiver~~ suspension of the time limit of the work requirement for ABAWDs. If a state or geographic region is covered by a ~~waiver~~ suspension, no countable months (TLBs) are applied to individuals residing in the covered area.

~~SNAP ABAWD Waivers~~ SNAP ABAWD Suspensions

### 3.17.1.~~10~~11 ABAWD Status and Referral Type

**Non-ABAWD with a Non-TLB Referral Type:** A member who is not an ABAWD, or has ~~a verified~~an ABAWD exemption, is not subject to TLBs, and does not need to meet the FoodShare work requirement.

Non-ABAWDs are not subject to the FoodShare work requirement or TLBs during months in which they have ~~a verified~~an exemption. Workers must apply an exemption on the first of the month in which the exemption began, regardless of when the exemption is reported ~~or whether it is verified timely~~.

**ABAWD with a TLB referral Type:** An ABAWD who is subject to TLBs and who must meet the FoodShare work requirement to maintain FoodShare eligibility after receiving three months of TLBs in the current three-year period.

A FoodShare member is an ABAWD if they do not have an exemption from the FoodShare work requirement, as determined by the IM agency. ABAWDs subject to TLBs need to meet the FoodShare work requirement to maintain ongoing eligibility for FoodShare. One of the ways these members can meet the FoodShare work requirement is through FSET participation.

All ABAWDs who are not currently meeting the FoodShare work requirement outside of FSET receive a systematic/automatic TLB referral to the FSET program. ABAWDs are not required to participate in FSET as a condition of FoodShare eligibility. However, they may lose eligibility for FoodShare due to failing to meet the FoodShare work requirement after exhausting three months of TLBs in the three-year period.

FoodShare members who have a pending exemption receive a referral to the FSET program as ABAWDs with a TLB referral type. Once an exemption is verified or no longer pending, a referral update is sent to notify the FSET agency of the status change.

Note An individual may request a fair hearing if they disagree with the IM agency's determination of ABAWD status (see Section 6.4.1 Fair Hearings).

**ABAWD with a Non-TLB Referral Type:** An ABAWD with a Non-TLB referral type ~~is either meeting~~must meet one of the following conditions:

- Meeting the FoodShare work requirement ~~or is~~.
- Is not subject to TLBs due to living in a waivedan area where the time limit is suspended for all ABAWDs or on tribal land ~~with~~where the time limit is suspended for tribal members.
- Is not subject to TLBs due to receipt of a discretionary exemption intended to function as a waiversuspension for that month.

A FoodShare member is still an ABAWD, but with a Non-TLB referral type, if they are living in an area of the state where the time limit is ~~waived~~suspended or if they are ~~a tribal member~~ living on tribal land where the time limit is ~~waived~~suspended. ABAWDs living in a ~~waived~~qualifying area ~~or on waived tribal land~~ are not subject to TLBs during the months the ~~waiver~~suspension is in place.

~~ABAWDs who are meeting the FoodShare work requirement outside of FSET or living in a waived area or on tribal land with a waiver will not receive an automatic referral to the FSET program. ABAWDs with a Non-TLB Referral Type may choose to be referred to the FSET program voluntarily.~~

A FoodShare member is still an ABAWD, but with a Non-TLB referral type, if they have been granted a discretionary exemption that is intended to function as a suspension. Discretionary exemptions are a special federal flexibility that states may allocate to ABAWDs and may be used to function similar to a suspension of the time limit.

Note ABAWDs living in a ~~waived~~suspended area or on tribal land with a ~~waiver~~suspension will be identified in CWW as Non-ABAWD with a geographic waiver (GW) exemption during the period from January 2022 to June 2022 and will be correctly identified as an ABAWD with a Non-TLB referral beginning July 2022 and onward.

Note The following areas have been approved for a suspension of the time limit from October 1, 2023, through September 30, 2024:

- Cities of Milwaukee and Racine
- Menominee, Forest, Iron, and Adams Counties
- Bad River, Forest County, Ho-Chunk Nation, Lac Courte Oreilles, Lac du Flambeau, Menominee, Red Cliff, Red Cliff Reservation, St. Croix, Sokaogon Chippewa Community, and the Stockbridge Munsee Community tribal reservation areas.

The following areas have been approved for discretionary exemptions functioning like a suspension of the time limit from October 1, 2023, through September 30, 2024:

- Fond du Lac Band of Lake Superior Chippewa and Oneida Tribal Reservation Areas.

### **3.17.1.~~11~~12 FSET Participation and FoodShare Eligibility for ABAWDs**

### **3.17.1.~~12~~13 Adjusting the FoodShare Clock Page**

Adjusting the FoodShare Clock page may be required to accurately reflect ABAWD status and FoodShare eligibility for a specific month. The timing of ~~the~~a verification request, receipt of verification, and processing of verification time may result in a month

being counted as a TLB, even though the ABAWD is later determined to be a non-ABAWD or an ABAWD with a non-TLB referral type during that same month.

## Adjusting a FoodShare Clock Month Due to Verification of an Exemption or Work Hours

A FoodShare Clock month may need to be adjusted when a worker ~~receives~~ finds an exemption questionable and then does not receive verification of ~~an exemption which caused a month being counted as a TLB month when an~~ the exemption existed, until after CWW has established a TLB for that month. The clock must be adjusted to reflect the exemption or, in other circumstances, if the member met the work hour requirement.

IM workers may make adjustments to a specific FoodShare Clock month by overriding a System Status. They ~~should~~ must identify the cause of the incorrect clock status and override the FoodShare Clock System Status to the correct status for the relevant months. More than three “Time-Limited Benefit” statuses cannot be entered on a FoodShare Clock for the current three-year clock. Workers ~~should~~ must document changes to the clock in the case record.

Workers must document the steps they took to apply an exemption.

If ~~the~~ an exemption only applies to past months, ~~workers and only if the IM worker~~ determined the exemption to be questionable, the worker must note in case comments how they verified the exemption and the months in which the exemption was effective. Workers should not update the additional pages in CWW related to the exemption if the exemption only applies to past months.

If the exemption applies to both the current month and past months, workers must note in case comments why they found the exemption to be questionable (if applicable), how they verified the exemption (if applicable), and the months in which the exemption was effective. Workers must also update the appropriate pages in CWW, using the current month as the Begin Month, and then run and confirm eligibility on the case (so that the exemption will apply to future months as well).

<p>Example <u>1921</u></p>	<p>Olive received three TLBs in May, June, and July in the first year of the current three-year clock period. As a result, she became ineligible for FoodShare benefits <del>in</del> <u>starting</u> August <u>1</u>. Olive reapplied for FoodShare benefits during the second year of the same three-year clock period. Her food unit now includes her daughter who was born in September of the previous year. During her in-person application, Olive mentioned her 2-year-old daughter and her date of birth. The worker discovered Olive could claim an exemption for the three TLBs incurred because she was pregnant at that time. <del>Upon request, Olive provides a copy of her daughter's birth certificate.</del> <u>The worker determines that this exemption is not questionable.</u> The worker adjusts the clock to remove the three TLBs and documents <del>that Olive's daughter's birth certificate was used to verify an exemption for the adjusted former TLB</del> <u>the months in which the exemption was effective</u> in case comments. Because the pregnancy</p>
--------------------------------	--

	exemption only applies to past months, the IM worker does not update the Pregnancy page when making the adjustments.
--	--

### Adjusting the FoodShare Clock Due to a Fair Hearing Decision

Fair hearing decisions may also require an adjustment to the 'System Status' displayed on one or more months of the FoodShare Clock Page. The IM worker will need to make the adjustment to the appropriate clock status if it is required per the fair hearing decision.

### Clock Adjustments

The FoodShare clock page is automatically updated several times each month and because these updates are triggered based on the system statuses, it is critical that IM workers thoroughly review the clock to determine correct system statuses before making any manual adjustments. System statuses that are incorrectly updated may result in a case not being scheduled for the correct batch run(s) and may also affect ~~an~~ an individual's a person's FoodShare eligibility. Any time that a manual adjustment to a clock is needed, IM workers must enter case comments to explain the action taken.

## 3.17.1.1314 FoodShare Clock System Updates and Statuses

FoodShare Clock 'System Status' updates to the FoodShare clock may occur when one of the following occurs:

- Eligibility is run and confirmed for the recurring or current month.
- A batch job runs on the second Saturday of the month to collect prior month's information from the "Work Requirement Met?" field on the FSET Tool's Track Participation and Good Cause page.
- A batch job runs on adverse action to collect current month information from the "Anticipated to Meet Work Requirement?" field on the FSET Tool's Track Participation and Good Cause page.
- Eligibility is run and confirmed in the adverse action batch run.

### FoodShare Clock System Statuses

Active in FSET	Individual is participating in FSET for the current month and is expected to meet the FoodShare work requirement by the end of the month. This is only set if the individual is in their third TLB month, third additional month, or extended benefit month.
Additional Month	Individual has exhausted all TLB months and has been granted three consecutive months of additional benefits due to meeting the FoodShare work requirement.

<p>Clock Not in Effect</p>	<p>Individual is ineligible for FoodShare, previously not known to CWW, or is not subject to FoodShare work requirement.</p> <table border="1" data-bbox="469 302 1503 558"> <tr> <td data-bbox="477 312 646 548"> <p>Example 20</p> </td> <td data-bbox="654 312 1495 548"> <p>Jason applies for FoodShare for the first time part way through a three-year clock timeframe. The entire timeframe of the three-year clock will display on their case and any months prior to the month they applied will show this status.</p> </td> </tr> </table>	<p>Example 20</p>	<p>Jason applies for FoodShare for the first time part way through a three-year clock timeframe. The entire timeframe of the three-year clock will display on their case and any months prior to the month they applied will show this status.</p>
<p>Example 20</p>	<p>Jason applies for FoodShare for the first time part way through a three-year clock timeframe. The entire timeframe of the three-year clock will display on their case and any months prior to the month they applied will show this status.</p>		
<p>Exempt</p>	<p>Criteria which result in a non-ABAWD status. Non-ABAWDs are exempt and not required to meet the FoodShare work requirement for the month.</p>		
<p>Exempt - GW</p>	<p>Individual is subject to a <del>geographic waiver</del> <u>suspension</u> of the time limit of the FoodShare work requirement. This is not a countable TLB month.</p>		
<p>Extended Benefit Month</p>	<p>Individual has used three TLB and three additional months, has participated in FSET in the second and third additional month, and is expected to participate in FSET the month this status is applied.</p>		
<p>Incarcerated</p>	<p>Individual was incarcerated for 30 days or less.</p>		
<p>Ineligible</p>	<p>Individual is ineligible for FoodShare.</p>		
<p>Met FSET Requirement</p>	<p>Individual met the FoodShare work requirement by participating in FSET.</p>		
<p>Met Work Requirement</p>	<p>Individual met the FoodShare work requirement by working <del>and/or</del> <u>or</u> participating in a work program.</p>		
<p>Partial Month FoodShare Issued</p>	<p>Individual received a partial month of FoodShare benefits. This is not a countable TLB month.</p>		
<p>Time-Limited Benefit</p>	<p>Individual received a full month of FoodShare as an ABAWD and did not meet the FoodShare work requirement or received a TLB, known as a countable month, in another state.</p>		

## 4.2.1 Categorical Eligibility

### 4.2.1.1 Categorical and Broad-Based Categorical Eligibility Introduction

---

In its traditional form, categorical eligibility conveys FoodShare eligibility based on a food unit's receipt of cash assistance from Supplemental Security Income (SSI), the Temporary Assistance for Needy Families (TANF) block grant (such as, but not limited to, W-2 or Child Care), or state-run General Assistance (GA) programs (cash assistance for low-income individuals).

#### **Categorically Eligible Food Units:**

A categorical food unit is defined as all adult food unit members receiving any of the following:

- SSI
- TANF benefits
- GA (general assistance) benefits

Categorical food units have no gross, net, or asset test.

- If 30% of the net counted income is higher than the maximum allotment, the assistance group might not qualify for an allotment.
- One- or two-person assistance groups, which are eligible for the minimum allotment, are the exception.

Since the 1996 welfare reform law, states have been able to expand categorical eligibility beyond its traditional bounds. This is known as broad-based categorical eligibility (BBCE).

#### **Broad-Based Categorical Eligibility (BBCE)**

Most food units are considered broad-based categorically eligible if their gross monthly income is at or below 200% FPL and the language describing ~~“Job Center of Wisconsin”~~ services, a partially TANF-funded service that all food unit members are authorized to receive, is issued to the food unit on a CWW-generated notice of decision. The following text will appear on FoodShare approval and change notices.

~~“Job”~~ Job Center of ~~Wisconsin~~ Wisconsin (formerly known as JobNet) is available to you. Job Center of Wisconsin is the single largest source of job openings in Wisconsin, you can access Job Center of Wisconsin via the internet at <http://www.wisconsinjobcenter.org/> or on touch screen monitors at your local job center. To locate a Job Center of Wisconsin nearest you call 1-888-258-9966-~~“.”~~

Broad-based categorically eligible food units have no asset test.

#### **Loss of Broad-Based Categorical Eligibility**



The food unit is not considered to be broad-based categorically eligible if one of the following occurs:

- Total gross monthly income is above 200% FPL.
- Any member of the food unit loses FoodShare eligibility because they were disqualified for an IPV (see Section 3.14.1 Intentional Program Violation (IPV) Disqualification)).
- Any member of the food unit loses FoodShare eligibility because they were disqualified due to a drug felony sanction (see Section 3.20.1 Drug Felonies)).
- The primary person is disqualified for failure to comply with the FoodShare basic work rules (see SECTION 3.16.1.2 FOODSHARE BASIC WORK RULES)).
- Any member of the food unit loses FoodShare eligibility because they received a substantial lottery or gambling winning (see SECTION 6.1.1.1 SUBSTANTIAL LOTTERY OR GAMBLING WINNING).

Food units that contain a member who is sanctioned for an IPV or drug felony continue to be eligible to receive TANF Job Center of Wisconsin services so assets are excluded and not deemed. The sanctioned food unit member's income continues to be deemed. The food unit is no longer considered categorically eligible so it must be tested using the regular SNAP program gross and net income limits (see SECTION 8.1.1 INCOME LIMITS for those income limits).

## ~~4.2.1.2 Case Processing~~

---

~~FoodShare benefits will be automatically denied or closed when the FoodShare assistance group's verified adjusted income is greater than the maximum allotment amount for their assistance group size, with the exception of one and two person assistance groups. A closure notice will be sent notifying them their net income exceeds allotment amount, and they are eligible for \$0 allotment.~~

~~For one and two person assistance groups, the monthly allotment (except in the initial month or on cases with allotment reduction) should never be less than the minimum allotment for that assistance group size.~~

~~A denied or closed FoodShare assistance group can file a new application and complete an intake interview if they wish to be reconsidered for FoodShare eligibility.~~

## ~~4.2.1.3 Special Circumstances~~

---

~~FoodShare assistance groups with zero FoodShare benefits in their initial benefit month and an allotment greater than zero in the second month will be denied in the first month and opened in the second month. The 12-month FoodShare certification period will begin the month of application even though the first month may be denied because the allotment amount is zero. If the benefit calculation is zero for the first two months, the application will be denied.~~



Example 1 ~~Barry applied for FoodShare in August after he lost his job. Barry received \$0 for August (due to excess income) and was found eligible for \$98 in September. His certification period starts in August.~~

Example 2 ~~Tiffany applied for FoodShare on March 28. Tiffany was found eligible but received \$0 dollars for March because her benefits were prorated. In April, she is eligible for \$55. Her certification period starts in March and her renewal will be due in February of the next year.~~

## 4.2.1.4-2 Transitional FoodShare Benefits

~~If Transitional FoodShare (TFS) food units are no longer broad based categorically eligible (BBCE) or categorically eligible (CE) once they move into a TFS certification period. At the FoodShare benefit is reduced end of the five-month certification period, the food unit will need to zero/reapply for the month between the benefit determination month and the month transitional FoodShare benefits (TFS) begin, the case will remain open (and be certified under BBCE or CE rules. see Section 5.1.1 Transitional FoodShare Benefits (TFS)).~~ for more information about TFS.

Example 3 ~~Donna accepted a job in July and her last W-2 check was issued in August. Her TFS benefit starts in September. Her income from her new job impacted her August allotment. The August allotment was reduced to zero. However, the TFS benefit amount is based on the July budget minus the W-2 payment amount. The case remains open during the month of August and her TFS benefits start in September using the July information.~~

## 4.2.1.53 Elderly, Blind, or Disabled Food Units

Food units that include an elderly, blind or disabled (EBD) member with gross monthly income over 200% ~~of the~~ FPL must be tested for FoodShare using the regular SNAP rules. Under the regular SNAP rules, these food units have no gross monthly income limit, but must have a net income that does not exceed limit of 100% FPL, and an EBD countable assets that do not exceed the asset limit of \$4,250 limit. (see Section 8.1.1.2 Regular SNAP Program Monthly Income Limits).

## 4.2.2 Regular SNAP Rules

7 CFR 273.11(r)(2)

Regular SNAP rules will test food units against different income and asset limits than the broad based categorical and categorical eligibility rules. Under regular SNAP rules, there are different income and asset limits for EBD and non-EBD food units (see [lottery], 8.1.1.2 Regular SNAP program limits and 8.1.1.3 ASSET LIMITS).

Note Agencies must use the FoodShare Worksheet (F-16033) to determine eligibility under regular SNAP rules.

### **EBD**

Test all food units that include an EBD member, under regular SNAP rules. Under the regular SNAP rules, these food units have no gross monthly income limit. Their net income must not exceed 100% of the FPL and countable assets cannot exceed the EBD asset limit.

### **Non-EBD**

Under regular SNAP rules, non-EBD food units have a gross monthly income limit of 130% of the FPL. Their net income must not exceed 100% of the FPL and countable assets cannot exceed the non-EBD asset limit.

### **Countable Assets**

All households tested under regular SNAP rules are subject to an asset test (see SECTION 4.4.1.4 LIQUID ASSETS for a list of countable liquid assets).

## 4.3.3 Farming and Other Self Employment Income

### 4.3.3.4 Rental Income

---

7 CFR 273.9(b)(1)(ii)

Rental income is earned if the owner actively manages the property an average of 20 or more hours per week. See SECTION 4.3.4.1 UNEARNED INCOME if the person manages the property less than 20 hours per week.

If the owner manages multiple properties that are considered part of a single business (single annual business tax form that covers all properties), they will need to spend a total of 80 or more hours per month across all their properties for the income to be counted as earned income.

If the owner's properties are each considered separate businesses (separate annual business tax forms for each property), the owner would need to spend at least 80 hours per month at each property for the income received from that property to be counted as earned income.

Include gross receipts minus allowable business expenses as earned income. Tax Forms 1040 Schedule C or Schedule E are used to determine rental income. Use that income recorded on the tax forms plus the principal paid if using tax form Schedule E to estimate future income. If the applicant or member has not completed a Schedule C or Schedule E tax form, use the following method to calculate earned income.

- When the owner is not an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance and taxes.
- When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" as follows:
  1. Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance and taxes common to the entire operation.
  2. Multiply the number of rental units by the total in Step 1. Rental units are units that are not occupied by the property owner.
  3. Divide the result in Step 2 by the total number of units to get the proportionate share.
  4. Add the proportionate share in Step 3 to any operating costs paid that are unique to the rental unit. This equals total expenses.
  5. Subtract total expenses in Step 4 from gross rent payments to get net rent.

Example 4	<p>Jena owns an apartment building with 10 units. She lives in one of them and charges \$700 in rent per month for the other 9 units.</p> <ol style="list-style-type: none"> <li>1. The total mortgage and operational expenses are \$50,000 per year.</li> <li>2. Multiply \$50,000 (in Step 1) x 9 units = \$450,000</li> <li>3. Divide \$450,000 (in Step 2) by 10 units = \$45,000 proportionate share</li> <li>4. One of the rental units needed a new dishwasher at a cost of \$400, add to proportionate share in Step 3 \$45,000 + \$400 = \$45,400 in total expenses</li> <li>5. Calculate gross rent by multiplying the number of units by the monthly rent by 12. 9 x \$700 x 12 = \$75,600 in gross rent Subtract total expenses in Step 4 from gross rent \$75,600 - \$45,400 = \$30,200 net rent</li> </ol>
--------------	---

Example 5	<p><u>Baraka owns a own rental property business called Karibu Properties. Baraka also co-owns a business with a friend, Juma, called Sunview Estates. These are separate businesses that file their own, separate tax forms. Baraka spends 100 hours a month working at each business. The income Baraka receives from each business will be counted as earned income because Baraka is spending more than 80 hours per month managing each business.</u></p>
--------------	--

#### 4.3.3.4.1 Unearned Rental Income

If someone receives rental income but does not actively manage the property ~~2080~~ or more hours a ~~week~~month, the income is unearned. See- SECTION 4.3.3.4 RENTAL INCOME if they manage- the property for at least ~~2080~~ hours per ~~week~~month.

If the owner has multiple properties, any income received from those properties will count as unearned income so long as the owner spends less than 80 hours per month in total managing the properties.

- When the owner is not an occupant, "net rent" is the total rent payment(s) received minus the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes.
- When income is received from a multi-unit property and the owner lives in one of the units, compute "net rent" by following EXAMPLE 4-above:
  - Add the total mortgage payment (principal and interest) and other verified operational costs such as (but not limited to) hazard insurance, mortgage insurance, and taxes common to the entire operation.
  - Multiply the number of rental units by the total in Step 1.

- Divide the result in Step 2 by the total number of units, to get the proportionate share.
- Add the proportionate share in Step 3 to any operating costs paid that are unique to the rental unit. This equals total expenses.
- Subtract total expenses in Step 4 from gross rent payments to get net rent.

### 4.3.3.8 Self-employment Expenses

#### Expenses Exceeding Income

When a food unit has more than one self-employment operation, the losses of one can offset the profits of another. Do not use losses from self-employment to offset other earned or unearned income.

Exception: Offset farm income losses with any other countable income only if the farmer received or anticipates receiving annual gross proceeds of \$1,000 or more from the farm operation.

#### Shelter Expense

When a self-employed food unit claims the total shelter costs as a business expense, do not allow any shelter deduction. If the food unit claims a percentage of the shelter costs as a business expense, the remaining percentage is a shelter deduction.

If the percentage used for the business expense was not self-declared, use IRS form 8829 or the “Expenses for business use of your home” line from IRS form 1040 Schedule C to determine the amount of the home that was claimed as a business expense. Any remaining amount that was not counted as a business expense should be allowed as a shelter expense.

Example <del>10</del> <u>11</u>	Fred, a self-employed farmer, uses 50% of his <del>homeowners insurance and</del> property taxes as a business deduction. His yearly <del>homeowners insurance and</del> property taxes are \$1,200. <u>Allow \$600 as a business expense.</u> Use the remaining \$600 as a <u>household</u> shelter deduction. Prorate the \$600 over 12 months.
------------------------------------	---

#### Farm and Self-Employment Expenses - Utilities

A self-employed food unit is allowed the standard utility allowance (SUA), if eligible for it, regardless of the percentage of utility expense claimed on the taxes for business use of the home.

#### Self-employed Child Care Provider

A child care provider can deduct the cost of meals provided to the enrolled children from the income earned by the child care business. They may report the actual cost of the meals, or they may use the federal standard deductions. Tier 1 applies to food units with

income at or below 185% of the FPL income guidelines. Tier 2 applies to all other households.

Rates effective from July 1, ~~2022~~2023 - June 30, ~~2023~~2024:

Federal Standard Deductions		
Meals	Tier 1	Tier 2
Breakfast	\$1. <del>66</del> <u>65</u>	<del>\$1.66</del> <u>\$1.59</u>
Lunch or Supper	\$3. <del>04</del> <u>12</u>	<del>\$3.04</del> <u>1.88</u>
Supplement (snacks)	\$0. <del>97</del> <u>93</u>	<del>\$0.97</del> <u>25</u>

## 4.3.4 Unearned Income

### 4.3.4.3 Disregarded Unearned Income

---

Disregard means do not count. When you are calculating the total amount of unearned income a person has received, you should exempt or exclude any of the following kinds of unearned income:

#### **Housing and related income**

1. Disregard rent paid by the Department of Housing and Urban Development (HUD) and Farmer's Home Administration (FMHA) directly to a landlord as income. Do not include these payments as a deduction. Only include as a rent expense what the food unit owes to the landlord after the HUD or FMHA payments.
2. Disregard rent paid by HUD to residents in the experimental housing program in Green Bay.
3. Disregard HUD or FMHA utility reimbursement payments made directly to a food unit or utility provider as income.
4. Disregard HUD utility reimbursement payments diverted by a Native American housing authority directly to the utility provider without permission, consent, or agreement of the food unit.
5. Under the Family Investment Centers program, HUD provides grant money to public housing agencies and Indian housing authorities. In turn, they provide access to education and job opportunities to public housing residents. Disregard as income services provided to these residents. Services include:
  - a. Child care
  - b. Employment and training counseling
  - c. Literacy training
  - d. Computer skills training
  - e. Assistance in attaining certificates of high school equivalency
  - f. Other similar services
6. Disregard free rent, no income is counted, and no rent deduction is allowed.
7. A tenant may be billed utility expenses for common electrical devices, for the benefit of any number of tenants, but wired through their meter. A notice from the landlord identifies that cost and the tenant's reimbursement. Disregard the reimbursement.
8. Income received as a result of participation in the Fresh Start Program.

#### **Employment Training and Education**

1. Educational aid for students is not counted as income.
2. Disregard educational expense reimbursements.
3. Disregard income produced by an educational trust.

4. Disregard W-2 TSP (stipends for non-custodial parents) received for W-2 education and training activities.

## Loans

Disregard as income any loan to the food unit. This includes loans from private individuals and commercial institutions. A legally executed document is not required to verify that income is a loan. A statement signed by both parties is enough to verify the income is a loan, if it contains: the amount of the loan, that the payment is a loan, and that repayment is required.

## Medical and Dependent Care

1. Disregard reimbursements for medical or dependent care. Some examples of medical or dependent care reimbursements that should be disregarded are:
  - a. Reimbursements from the Medical Assistance (MA), also known as Medicaid or Title 19 Community Integration Program (CIP).
  - b. Reimbursements from the Alzheimer's Family Caregiver Support Program (AFCSP) and National Family Caregiver Support Program (NFCSP).
2. Disregard dependent care payments as income for a food unit member's care when a county agency:
  - a. Pays a dependent care provider directly,
  - b. Reimburses the food unit after the food unit has incurred or paid a dependent care expense.
3. Disregard payments from the Wisconsin Family Support Program, which assists families by covering medical, dependent and other allowable expenses for in-home support for children with severe disabilities. Payments may be issued in several ways, including by voucher or direct payment to the vendor, or direct payment to the family as a reimbursement for allowable expenses. Do not confuse this program with "family support", a court-ordered obligation that combines child support and maintenance.

## SSA programs

1. Disregard reimbursements for services provided by the [Social Services Block Grant Program](#).
2. Disregard retroactive SSI payments which are paid in installments.
  - a. Retroactive SSI benefits which total 12 months or more of the Federal Benefit Rate (monthly SSI amount) will be paid in three or fewer installments at six-month intervals. Each installment payment should be counted as an asset. Retroactive SSI benefits which equal or exceed 12 months of benefits, but which are owed to the following categories of recipients, will continue to be received in one lump sum:
    - i. A person who has a medical impairment which is expected to cause death within 12 months.



- ii. A person who is ineligible for benefits and is likely to remain ineligible for the next 12 months.
3. Disregard income of an SSI recipient necessary to fulfill a Plan to Achieve Self-Support (PASS) regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account. The SSA must approve the individual's PASS in writing, identifying the amount of income that must be set aside each month to fulfill the PASS. It is the member's responsibility to report and verify that such income is necessary to fulfill its PASS in order for the income to be disregarded.
4. A qualified organization may collect a fee for acting as the representative payee for an SSI or OASDI recipient. Disregard the amount withheld from the SSI or OASDI payment as income to the recipient. Reduce the SSI or OASDI amount by the amount withheld instead.

## **SSI-E**

Disregard SSI-E income for FoodShare. It is not necessary to determine if a SSI-E payment is being used for its intended purpose in order to disregard the income.

## **Energy Assistance Program**

Disregard all payments provided by the Low Income Home Energy Assistance Program (LIHEAP) or Wisconsin Home Energy Assistance Program (WHEAP).

## **Community Options Program**

Disregard Community Options Program (COP) reimbursement for long-term care services. If a food unit member is receiving COP payments for providing services, count the money as earned income.

## **Tribal / Native American Payments**

Disregard any Tribal General Welfare Assistance (GWA) and Tribal General Welfare Exclusion (GWE) payments (26 USC § 139E).

Disregard payments to individual tribal members of the following tribes ~~and~~/or from the following federal settlements:

1. Seminole Indians of Florida (PL 84-736).
2. Pueblos of Zia and Jemez of New Mexico (PL 84-926).
3. Red Lake Band of Chippewa Indians (PL 85-794).
4. Alaska Native Claims Settlement Act (PL 92-203).
5. Stockbridge Munsee Indian Community of Wisconsin (PL 92-480).
6. Burns Indian Community of Oregon (PL 92-488).
7. Pueblo of Santa Ana (PL 95-498).
8. Pueblo of Zia of New Mexico (PL 95-499).

9. Bois Forte Band of the Chippewa Tribe or the Grand Portage Band of Lake Superior Chippewa Indians under 25 USC 1407 (PL 93-134, 97-458, 106-568, 113-290).
10. Navajo and Hopi Tribe relocation payments (PL 93-531).
11. Cherokee Nation of Oklahoma (PL 94-114).
12. Cheyenne River Sioux, Crow Creek Sioux, Lower Brule Sioux, Oglala Sioux, and Rosebud Sioux Tribes of South Dakota (PL 94-114).
13. Devils Lake Sioux and Standing Rock Sioux Tribes of North Dakota (PL 94-114).
14. Shoshone-Bannock Tribes of Idaho (PL 94-114).
15. Sac and Fox Indian claims agreement (PL 94-189).
16. Grand River Band of Ottawa Indians (PL 94-540).
17. Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (PL 95-433).
18. Indian Child Welfare Act of 1978 (PL 95-608).
19. Delaware Tribe of Indians and the Delaware Tribe of Western Oklahoma (PL 96-318).
20. Passamaquoddy Tribe, Penobscot Nation, and Houlton Band of Maliseet Indians under the Maine Indian Claims Settlement Act of 1980 (PL 96-420).
21. Wyandot Tribe of Indians of Oklahoma (97-371).
22. Absentee Shawnee Tribe of Oklahoma, Eastern Shawnee Tribe of Oklahoma, and Cherokee Band of Shawnee descendants (PL 97-372).
23. Miami Tribe of Oklahoma and Miami Indians of Indiana (PL 97-376).
24. Clallam Tribe of Indians, including Port Gamble Indian Community, Lower Elwha Tribal Community, and Jamestown Band of Clallam Indians, of Washington (PL 97-402).
25. Turtle Mountain Band of Chippewas of Arizona (PL 97-403).
26. Blackfeet, Gros Ventre Tribes, and Assiniboine Tribes of Montana (PL 97-408).
27. Papago Tribe of Arizona (PL 97-408).
28. Red Lake Band of Chippewas (PL 98-123).
29. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation of Montana (PL 98-124).
30. Chippewas of Lake Superior including the Bad River Band, Lac du Flambeau Reservation, Lac Courte Oreilles Band, Sokaogon Chippewa Community, Red Cliff Reservation, and St. Croix Reservation of Wisconsin; disregard any per capita payment issued under this judgement in its entirety (PL 99-146).
31. Keweenaw Bay Indian Community of Michigan (PL 99-146).
32. Fond du Lac, Grand Portage, Nett Lake, and White Earth Reservations of Minnesota (PL 99-146).
33. White Earth Band of Chippewas in Minnesota (PL 99-264).
34. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346).
35. Chippewas of the Mississippi including Mille Lac, White Earth, and Leech Lake of Minnesota (PL 99-377).
36. Band of Potawatomi, including Hannahville Indian Community and Forest County Potawatomi, of Wisconsin; if issued as a per capita payment, disregard the first \$2,000 of each payment made from this judgement (PL 100-581).

37. Puyallup Tribes under the Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41).
38. Seneca Nation of New York under the Seneca Nation Settlement Act of 1990 (PL 101-503).
39. Catawba Indian Tribe of South Carolina (PL 103-116).
40. Confederated Tribes of the Colville Reservation (PL 103-436).

Exclude as income any lump sum or periodic payments received under the Cobell v. Salazar Class Action Trust Case during the one-year period beginning on the date of receipt (PL 111-291).

Disregard up to \$2,000 per calendar year held by an individual Native American which is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs (PL 103-66, 92-203, and 100-241).

Disregard the first \$2,000 of individual shares for the following:

1. Confederated Tribes of the Warm Springs Reservation (PL 97-436).
2. Old Age Assistance Claims Settlement Act (PL 98-500).
3. Seminole Nation of Oklahoma (PL 101-277).
4. Seminole Tribe, Miccosukee Tribe of Indians, and the independent Seminole Indians of Florida (PL 101-277).
5. Rincon Band of Mission Indians (Docket 80-A).
6. Walker Paiute Tribe (Docket 87-A).
7. Ak-Chin, Salt River Pima-Maricopa, and Gila River Pima-Maricopa Indian Communities (Docket 228).
8. Maricopa Ak-Chin Indian Community (Docket 235).
9. Peoria Tribe of Oklahoma (Dockets 313, 314-A, and 314-B).
10. Yankton Sioux Tribe (Dockets 342-70 and 343-70).
11. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 and 372).

### **Child Nutrition Act of 1966 and the National School Lunch Act**

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the National School Lunch Act. These are the:

1. Special Milk Program.
2. School Breakfast Program.
3. Special Supplemental Food Program for Women, Infants and Children (WIC).
4. School Lunch Program.
5. Summer Food Service Program for Children.
6. Commodity Supplemental Food Program.
7. Child and Adult Care Food Program.

### **Disaster and Emergency Assistance Payments**

1. Disregard major disaster and emergency assistance payments made by federal, state, county, and local agencies, and other disaster assistance organizations, including National Flood Insurance Program (NFIP).
2. Disregard Emergency Assistance or emergency General Assistance when either is given to a migrant or seasonal farm worker food unit if:
  - a. The payment is provided to a third party (vendored) on behalf of the migrant or seasonal farm worker; and,
  - b. The food unit was in the job stream when (for example, working) it was provided.
3. Disregard disaster unemployment benefits to any individual who is unemployed as a result of a major disaster. Individuals cannot be eligible for any other unemployment compensation and also receive disaster unemployment benefits. Payments are limited to 26 weeks.

**COVID-19 Pandemic Assistance:** Refer to the [Process Help COVID-19 Main Page](#) for specific policies and process related to COVID-19 pandemic income.

## Veterans Benefits

Exclude VA aid and attendance and homebound allowances if the payment is:

1. For a past or future expense.
2. Not in excess of the actual expense.
3. Not for a normal household living expense.
4. Used for the intended purpose.

Disregard aid and attendance and housebound allowances received by veterans, spouses of disabled veterans, and surviving spouses.

## GI Bill

All military personnel fund the GI Bill through mandatory payroll deductions in their first year of service. Disregard these deductions when counting income.

Example 2	During Joe's first year of military service, his gross pay is \$1,000 per month. One hundred dollars is deducted from his paycheck each month for the GI Bill. The IM worker disregards the \$100 deduction and budgets his pay as \$900 per month.
-----------	---

## Combat Pay

IM workers are required to determine if a military allotment made available to a food unit by an absent member deployed to a combat zone should be excluded when determining eligibility. Disregard any amount of combat zone pay that goes to the food unit that is in excess of the military person's pre-deployment pay. The exclusion lasts while the military person is deployed to the combat area.

If the amount of military pay from the deployed absent family member is equal to or less than the amount the food unit was receiving prior to deployment, all of the allotment would be counted as income to the food unit. Any portion of the military pay that exceeds the amount the food unit was receiving prior to deployment to a designated combat zone should be excluded when determining the food unit's income for FoodShare purposes.

Follow these steps in determining how to budget combat zone pay:

1. Ask if the service member is deployed to a combat zone.
  - a. If the answer is no, verify military pay using a bank record or Leave and Earnings Statements (LES) and clearly document in case comments how income to the food unit was determined and verified.
  - b. If the answer is yes, verify the service member's pay before deployment to a combat zone and the amount they receive due to being assigned to a combat zone. Leave and Earnings Statements (LES) or bank records can be used to verify this amount.
2. Any portion that is more than the amount the food unit was receiving immediately before deployment to a combat zone is exempt as combat pay.
3. Clearly document in case comments the combat pay source of verification and method used to determine amount to be disregarded and budgeted.

Deployment to a combat zone can be established through a variety of methods including:

1. The deployed person's military pay record, the Leave and Earnings statement (LES).
2. Orders issued to the military person in which the place of deployment is public record.
3. Contacting the Call Center which has a listing of designated combat zones, as well as a listing of pay items which may or may not be the result of deployment to a designated combat zone

Example 3	<p>John, his wife Bonnie, and their daughter have an open FoodShare case. John is in the military stationed overseas; his monthly income is \$1,000. John sends his wife \$1,000 every month.</p> <p>When John is deployed to a combat zone his pay is increased to \$1,300 a month, which is deposited into a joint account. Because the \$300 is combat pay, it is exempt income and not counted in the determination. The pre-combat pay of \$1,000 is budgeted as unearned income for FoodShare.</p>
Example 4	<p>Dori is in the military and receives \$1,000 per month in wages. Dori's husband Louie and their son Joe have an open FoodShare case. Dori has her military pay directly deposited into a bank account in her name only; Louie has no access to the funds or to the account. Do not count any of Dori's income in the eligibility determination for Louie and Joe.</p>

Example 5	Ben is in the military. His paycheck is \$1,000 a month. He has \$500 directly deposited into his account and \$500 directly deposited into a joint account with his wife, Andrea. The \$500 directly deposited into the joint account is budgeted as unearned income in Andrea's FoodShare determination. Since Andrea does not have access to Ben's account, only the amount deposited in their joint account is counted.
Example 6	Tim is in the military making \$1,200 a month. An allotment check of \$1,000 is paid directly to his wife Karla and \$200 to himself. The \$1,000 is budgeted as Karla's unearned income for her FoodShare determination.

### **Dottie Moore**

Disregard as income any penalty payment paid as a result of the Dottie Moore lawsuit by DHS (formerly DHSS) to any Aid to Families with Dependent Children (AFDC) applicant or member. These \$50 to \$200 penalty payments have been ordered by the U.S. District Court for the Eastern District of Wisconsin in Civil Action No. 80-C-118.

### **Income Tax Refunds, Credits, and Rebates**

Disregard income tax refunds, credits, and rebates as income.

### **Victims of Nazi Persecution**

Disregard as income payments under PL 103-286 to victims of Nazi persecution.

### **Payments to Crime Victims**

Disregard any payments received from a state established fund to aid victims of a crime.

### **Agent Orange Settlement Fund**

Disregard payments received from the Agent Orange Settlement Fund or any other fund established in settling "In Re Agent Orange Product Liability Settlement Fund litigation M.D.L. No. 381 (E.D.N.Y.)." Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to January 1, 1989.

### **Wartime Relocation of Civilians**

Disregard payments under PL 100-383 to U.S. citizens of Japanese ancestry and permanent resident Japanese immigrants or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

### **Radiation Exposure Act**

Disregard payments from any program under the Radiation Exposure Compensation Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). Apply this

disregard retroactively to October 15, 1990. When the affected person is deceased, payments are made to the surviving spouse, children, parents, or grandparents of the deceased. The federal DOJ makes the payments. Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to October 15, 1990.

### **Children of Vietnam Veterans Who Are Born With Spina Bifida**

Disregard payments received under the provision of the Benefits for Children of Vietnam Veterans Who Are Born With Spina Bifida (PL 104-204). These payments are made to any child of a Vietnam veteran for any disability they experience resulting from the spina bifida. Apply this disregard retroactively to September 26, 1996. Continue this disregard as long as payments are identified separately.

### **Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970**

Disregard reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (PL 91-646, Section 216).

### **Capital Gains**

Disregard capital gains from the sale of a personal asset as income. Profits gained from the sale of an asset continue to be counted as an asset (see [SECTION 4.3.3.3 CAPITAL AND ORDINARY GAINS](#) for policy related to self-employment).

### **Reverse Mortgage**

Disregard reverse mortgage payments made to homeowners. Reverse mortgage payments are loans against the borrower's home and are considered an asset these payments are not considered income.

### **Payments to Filipino World War II Veterans**

Disregard payments from the Filipino Veterans Equity Compensation Fund. The American Recovery and Reinvestment Act (ARRA) of 2009 created the fund for certain veterans and the spouses of veterans who served in the military of the Government of the Commonwealth of the Philippines during World War II. The compensation fund offers one-time payments that may be up to \$15,000 to eligible persons.

### **Living Independently through Financial Empowerment (LIFE)**

The LIFE program provides short-term, monthly cash payments to families, including tribal members, experiencing crises resulting from a domestic violence situation. LIFE payments are designed to meet urgent financial needs such as but not limited to housing, utility payments, and groceries. The LIFE program is only available for a limited time until August 31, 2022. Approved applicants receive \$3,500 over three consecutive months: \$1,500 in month one, \$1,000 in month two, and \$1,000 in month three.

## **Madison Forward Fund Universal Basic Income (UBI) Program Payments**

Disregard any payments received from the Madison Forward Fund Universal Basic Income (UBI) program.



## 4.4.1 Assets

7 CFR 273.8

### 4.4.1.1 Introduction to Assets

This section applies only to food units and their assistance group being tested under regular SNAP rules. Regular SNAP rules require an asset test. EBD and non-EBD food units have different asset limits (see SECTION 8.1.1.3 ASSET LIMITS). ~~Non-EBD Households Assets are not included as part of the FoodShare eligibility determination and are not required to be verified since all FoodShare applicants and members are authorized to receive a TANF-funded service. Most FoodShare applicants and members are broad-based categorically eligible for FoodShare and are not subject to an asset test (see ). The amount of available liquid assets must be reported at the point of initial application to determine eligibility for priority service and expedited issuance.~~

#### ~~EBD Households~~

~~Elderly, Blind, or Disabled (EBD) Food Units (food units with at least one member who is elderly, blind, or disabled) with total gross income over 200% of the FPL must be tested for FoodShare using the regular Supplemental Nutrition Assistance Program (SNAP) rules. Under the regular SNAP rules, these food units have no gross income limit, but must have net income that does not exceed 100% FPL and countable assets that do not exceed the asset limit of \$4,250.~~

~~The remainder of this section applies only to EBD food units whose gross income exceeds 200% FPL.~~

Note Asset limits are subject to change with annual cost of living adjustment (COLA) which happens each October 1.

Count or disregard the value of the assets as outlined below.

#### Equity value

Count the equity value of countable assets. Equity value is the fair market value (FMV) minus any encumbrances against the asset. Disregard the equity value of exempt assets.

#### Separate and Mixed Assets

Disregard exempt assets kept in a separate account, or in an account with other exempt assets.

If an asset is in an account mixed with countable assets, disregard the exempt assets for one of these periods:

1. For six months from the date the exempt asset was mixed with the countable assets.

2. If an exempt asset is money that has been prorated as income, exempt it only for the period over which it has been prorated. After that period expires, count the remaining asset. (Self-employment income and farm income are examples of prorated income.)

## Jointly Owned Accounts

A joint account is:

1. A deposit of funds (savings, checking, share and NOW accounts, certificates of deposit, and similar arrangements), made with,
2. A financial institution (such as a bank, savings and loan, credit union, or insurance company), where,
3. The holders have equal access to the funds.

Jointly held accounts in a state-regulated financial institution are accessible to all holders of the account. The food unit has access to the joint account, with the exceptions below.

Do not assume that a jointly held account is accessible if it is:

1. Established for business, charitable, or civic purposes.
2. A trust or restricted account. The person named as holder has no or limited access to the funds.
3. A special purpose account. A special purpose account has at least one holder acting as the power of attorney, guardian, or conservator for another account holder(s).

### 4.4.1.4 ~~Disregarded~~ Liquid Assets

---

~~Unavailable assets are:~~

~~Assets inaccessible to the food unit because they are unknown to the food unit. The assets become Stocks, Bonds, and Other Investments~~

- ~~1. Count the current cash value of any available ~~assets the day the food unit becomes aware of them.~~~~
- ~~2. Countable assets investment ~~that the owner cannot make immediate use of.~~~~
- ~~3. Assets that a food unit includes, but is unable to sell for any significant return because the food unit's interest is relatively slight or because the cost of selling the food unit's interest would be relatively great.~~
- ~~4. Funds received through crowdfunding accounts (such as GoFundMe, Kickstarter, and Indiegogo) that are not accessible to the food unit at the time of interview.~~

~~Significant return means any return, after estimating costs of sale or disposition and taking into account the ownership interest of the food unit, the local agency determines are more than \$1,500. This does not apply to financial instruments such as limited to, stocks, bonds, and negotiable financial instruments.~~

Examples of unavailable assets are:

1. ~~Some irrevocable trust or mutual funds.~~
2. ~~Property and goods in probate.~~
3. ~~Security deposits for rental property or utilities.~~
4. ~~Some gifts.~~
5. ~~Some items in a collection.~~
6. ~~Non-liquid assets that have a lien on them as security for a loan. The purpose of the loan must be to produce income. It cannot be for the purchase of Available means that the asset against which the lien is in effect.~~

~~The lien agreement must prohibit selling the asset~~could be cashed in at any time.  
Investments that are part of retirement plans are generally not available until the lien is satisfied. Non-liquid assets include land, crops, buildings, timber, farm equipment, and machinerysomeone is of retirement age.

To calculate the net value of investments such as stocks, bonds, or mutual funds, verify the current value(s) as of closing of the market on the day before you do the calculation. For individual stocks or bonds, multiply the value per share times the number of shares. Deduct any losses or penalties charged as a result of a potential sale or early withdrawal.

## Loans

Count any loan to a food unit member as an asset, even if the food unit member anticipates spending it in the same month.

## Loan Repayments

Count the principal of a loan repayment to a food unit member from a non-food unit member as an asset.

## Savings and Checking Accounts

Count money deposited in a savings or checking account. Disregard the value of outstanding (un-cleared) checks. Money deposited into an account, that was counted as income for a month, cannot also be counted as an asset for the same month.

For example, SSI income is received in January. The payment is directly deposited into the person's checking account. This payment is not considered to be part of the asset calculation for January.

## Cash

Count any cash on hand as an asset.

## U.S. Savings Bonds

Count the cash value of a U.S. Savings Bond unless it is unavailable. A bond is unavailable only if the food unit proves it tried to cash the bond and was refused.

## Nonrecurring Lump Sum

Count nonrecurring lump sum payments (see SECTION 4.5.5.2 NONRECURRING LUMP SUMP PAYMENT).

## Interest Income

Count interest, dividend, and royalty income as an asset if not received directly.

Example 3	<del>A farmer borrows from a bank to buy a new dairy bulk tank by allowing a lien on his corn crop. The value of the corn crop is unavailable until the lien is removed by satisfying the loan.</del> <u>Mary has a certificate of deposit (CD). She receives an interest check every time the CD matures. The interest is income. If she leaves the interest to accumulate, count it as an asset.</u>
-----------	--

## 4.4.1.5 Recurring Lump Sum Payment

Disregard the following recurring payments from the asset test Earned Income Tax Credit (EITC) and SSI Retroactive Installment Payments. These types of payments are not counted as income or as an asset.

Two or more lump sum payments received regularly are considered unearned income (see 4.3.4.2 UNEARNED INCOME).

Example 4	<del>Sue Jones has an IRA with a \$4,500 balance. She provides verification that it will take 30 days to close the account, and because of penalties and taxes, the amount she will receive is \$3,150. The asset is not counted at application because it is not immediately available. However, after the 30 days required to close the account, \$3,150 is an available asset. The asset will be considered available regardless of whether or not Sue chooses to withdraw the funds.</del> <u>A food unit member receives an insurance settlement payment as a lump sum every three years. The agency receives documentation showing that the same amount is set to be paid every three years over the next 30 years. The lump sum should be budgeted as a monthly amount over the period it is meant to cover. The lump sum amount should be divided by 36 with the resulting amount budgeted as monthly unearned income.</u>
-----------	--

## 4.4.1.6 Nonrecurring Lump Sum Payment

7 CFR 273.9(c)(8)

A nonrecurring lump sum is a payment received only once. Count the payment as a liquid asset in the month the food unit receives the payment, do not count the payment as income. Types of nonrecurring lump sum payments include but are not limited to:

- Retroactive lump sum insurance settlements.
- Retroactive UC payments.

- Utility or rental security deposit refunds.
- Retroactive social security or public assistance payments.
- Retroactive Caretaker Supplement for Children (CTS) payments.
- TANF payments made to divert a family from becoming dependent on welfare, such as Emergency Assistance.
- Funds received through crowdfunding accounts (such as GoFundMe, Kickstarter, and Indiegogo). Only those funds accessible to the food unit at the time of interview are to be counted as a liquid asset.
- A bonus if the income is received too infrequently or irregularly to be reasonably anticipated.

Disregarded nonrecurring lump sum payments may include a one-time energy assistance payment, disaster or emergency payment, or tax credit (see SECTION 4.4.1.7 DISREGARDED ASSETS for a list of disregarded assets.)

Disregard an income tax refund for 12 months. The 12-month period is still continuous if there is a break in service (see section 2.3.1 Break in Service).

When a combination of current and lump sum payments is received at once, the current amount is income, and the nonrecurring amount is an asset.

<u>Example</u> <u>5</u>	<u>A food unit member receives Social Security benefits. In June, they get a \$950 check. \$430 is for the current month (June) and \$520 is a retroactive payment for underpayments in February and March. The \$430 is income and the \$520 is an asset.</u>
----------------------------	--

## 4.4.1.7 Disregarded Assets

---

Disregard the following assets:

### **Unavailable Assets**

- Unavailable assets are:
- Assets inaccessible to the food unit because they are unknown to the food unit. The assets become available assets the day the food unit becomes aware of them.
- Countable assets that the owner cannot make immediate use of.
- Assets that a food unit is unable to sell for any significant return because the food unit's interest is relatively slight or because the cost of selling the food unit's interest would be relatively great.
- Funds received through crowdfunding accounts (such as GoFundMe, Kickstarter, and Indiegogo) that are not accessible to the food unit at the time of interview.

Significant return means any return, after estimating costs of sale or disposition and considering the ownership interest of the food unit, the local agency determines are more than \$1,500. This does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments.

Examples of unavailable assets are:

- Some irrevocable trust funds.
- Property and goods in probate.
- Security deposits for rental property or utilities.
- Some gifts.
- Some items in a collection.
- Non-liquid assets that have a lien on them as security for a loan. The purpose of the loan must be to produce income. It cannot be for the purchase of the asset against which the lien is in effect.

The lien agreement must prohibit selling the asset until the lien is satisfied. Non-liquid assets include land, crops, buildings, timber, farm equipment, and machinery.

Example 6	A farmer borrows from a bank to buy a new dairy bulk tank by allowing a lien on his corn crop. The value of the corn crop is unavailable until the lien is removed by satisfying the loan.
-----------	--

Example 7	Sue has an irrevocable trust fund with a \$5,500 balance. The account is in Sue's name. She provides verification that it will take 30 days to close the account, and because of penalties and taxes, the amount she will receive is \$3,150. The asset is not counted at application because it is not immediately available. However, after the 30 days required to close the account, \$3,150 is an available asset. The asset will be considered available regardless of whether or not Sue chooses to withdraw the funds.
-----------	--

## Self-Employment or Business Assets

Self-employment or business assets are generally income-producing property. Exclude assets directly related and essential to producing goods or services.

## Real Property

Disregard all real property, regardless of whether it is homestead property or not. A home is any dwelling place intended for human habitation. All real property including homestead property is excluded as an asset.

## Vehicles

Disregard all vehicles.

## Land Contracts

Disregard land and installment contracts for land or a building if the contract produces income consistent with its fair market value (FMV).

## Installment Contracts

Disregard the value of property sold under an installment contract or held as security in exchange for a purchase price consistent with its FMV. This includes the sale of any

property or building, if the terms of the installment contract provide a purchase price consistent with the property's FMV.

## **Disaster Payments**

Disregard any governmental payment designated to restore a home damaged in a disaster. Apply this exemption if the food unit is subject to a legal sanction if the funds are not used as intended.

Disregard any payments to farmers for a farm emergency caused by a natural disaster. The USDA determines if a farm emergency exists.

## **Personal Goods & Property**

Disregard household goods and personal effects, such as home appliances, furniture, and clothes.

## **Burial Plot**

Disregard one burial plot for each food unit member.

## **Pre-Paid Funeral Agreements**

Disregard the value of one bona fide pre-paid funeral agreement per food unit member.

## **Retirement Accounts**

Exclude the following:

- 401 (Traditional Defined-Benefit Plan)
- 401(a) plans: Employer sponsored retirement plans, including Cash Balance Plans, Employee Stock Ownership Plans, Money Purchase Pension Plans, Keogh Plans, and Profit Sharing Plans.
- 401(k) plans: Generally, a cash-or-deferred arrangement, including Simple 401(k) plans.
- 403(a): Employee Retirement Annuities.
- 403(b): Tax-sheltered annuities provided for employees of tax-exempt organizations and state and local educational organizations.
- 408: Individual Retirement Accounts (IRAs)
- 408A: Roth IRAs and myRA.
- 408(p): Simple Retirement Account IRAs.
- 408(k): Simplified Employee Pension Plans.
- 457(b): Retirement plans for local governmental and certain non-governmental, tax-exempt employers.
- 501(c) (18): Exemption from tax on corporations that have trusts created before June 25, 1959, forming part of a plan providing benefit payments under a pension plan funded by employees.
- Federal Employee Thrift Savings Plan.

## Trust Funds

Count funds in a trust and any income produced by the trust. Disregard the funds only if all of these conditions exist:

- The trust arrangement is not likely to end.
- The trustee administering the funds is either:
  - A court, institution, corporation, or organization under neither the direction ~~or~~ nor ownership of any household member; ~~or~~
  - Someone, not in the food unit, ~~but~~ appointed by a court with court-imposed limits on their use of the trust's funds.
- Trust investments made for the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a food unit member.
- The funds are held in irrevocable trust and are ~~either~~ established from either of the following:
  - The funds of someone not in the food unit; ~~or~~
  - The food unit's funds, if the trustee uses the fund solely for investments on behalf of the trust or to pay educational or medical expenses for anyone named by the food unit creating the trust.

## Money Prorated as Income

A food unit member may have deposited money into an account from self-employment or farming. Prorate this money as income.

Disregard money prorated as income as an asset when it is being counted as income. When it is no longer prorated as income, count it as an asset.

## Tools and Other Work-Related Equipment

Disregard the value of tools or other equipment essential to the employment or self-employment of a food unit member. Examples of essential tools are those of a mechanic, plumber, or other tradesperson, or a farmer's machinery.

## Relocation Payments

Disregard payments from the Uniform Relocation Assistance and Real Properties Acquisition Act of 1970.

## Nutrition Benefits

Disregard the value of assistance received from programs under the Child Nutrition Act of 1966 and the National School Lunch Act. These include:

- Special Milk Program
- School Breakfast Program
- Special Supplemental Food Program for Women, Infants and Children (WIC)



- School Lunch Program
- Summer Food Service Program for Children
- Commodity Supplemental Food Program (CSFP)
- Child and Adult Care Food Program

## Energy Assistance Program

Disregard all payments provided by the Low Income Home Energy Assistance Program (LIHEAP) or Wisconsin Home Energy Assistance Program (WHEAP).

## HUD

Disregard payments from the Department of Housing and Urban Development (HUD) settling the Underwood v. Harris judgment against HUD (Civil No. 76-0469, DDC).

These payments are for retroactive tax and utility cost subsidies. Disregard them for the month in which the payment is received and the following month. Thereafter, count any remaining amount as an asset.

### Wartime Relocation of Civilians

Disregard payments under PL 100-383 to U.S. citizens of Japanese ancestry and permanent resident Japanese immigrants or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island.

## Alaskan Native Claims

Disregard payments including cash, stock, partnership interest, land, interest in land, and other benefits from the Alaskan Native Claims Settlement Act (PL 92-203).

## Tribal/ Native American Payments

Disregard payments to individual tribal members of the following tribes and ~~or from the following~~ federal settlements:

1. Seminole Indians of Florida (PL 84-736~~).~~)
2. Pueblos of Zia and Jemez of New Mexico (PL 84-926~~).~~)
3. Red Lake Band of Chippewa Indians (PL 85-794~~).~~)
4. Alaska Native Claims Settlement Act (PL 92-203~~).~~)
5. Stockbridge Munsee Indian Community of Wisconsin (PL 92-480~~).~~)
6. Burns Indian Community of Oregon (PL 92-488~~).~~)
7. Pueblo of Santa Ana (PL 95-498~~).~~)
8. Pueblo of Zia of New Mexico (PL 95-499~~).~~)
9. Bois Forte Band of the Chippewa Tribe or the Grand Portage Band of Lake Superior Chippewa Indians under 25 USC 1407 (PL 93-134, 97-458, 106-568, 113-290~~).~~)
10. Navajo and Hopi Tribe relocation payments (PL 93-531~~).~~)
11. Cherokee Nation of Oklahoma (PL 94-114~~).~~)

12. Cheyenne River Sioux, Crow Creek Sioux, Lower Brule Sioux, Oglala Sioux, and Rosebud Sioux Tribes of South Dakota (PL 94-114~~;-~~)
13. Devils Lake Sioux and Standing Rock Sioux Tribes of North Dakota (PL 94-114~~;-~~)
14. Shoshone-Bannock Tribes of Idaho (PL 94-114~~;-~~)
15. Sac and Fox Indian claims agreement (PL 94-189~~;-~~)
16. Grand River Band of Ottawa Indians (PL 94-540~~;-~~)
17. Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation (PL 95-433~~;-~~)
18. Indian Child Welfare Act of 1978 (PL 95-608~~;-~~)
19. Delaware Tribe of Indians and the Delaware Tribe of Western Oklahoma (PL 96-318~~;-~~)
20. Passamaquoddy Tribe, Penobscot Nation, and Houlton Band of Maliseet Indians under the Maine Indian Claims Settlement Act of 1980 (PL 96-420~~;-~~)
21. Wyandot Tribe of Indians of Oklahoma (97-371~~;-~~)
22. Absentee Shawnee Tribe of Oklahoma, Eastern Shawnee Tribe of Oklahoma, and Cherokee Band of Shawnee descendants (PL 97-372~~;-~~)
23. Miami Tribe of Oklahoma and Miami Indians of Indiana (PL 97-376~~;-~~)
24. Clallam Tribe of Indians, including Port Gamble Indian Community, Lower Elwha Tribal Community, and Jamestown Band of Clallam Indians, of Washington (PL 97-402~~;-~~)
25. Turtle Mountain Band of Chippewas of Arizona (PL 97-403~~;-~~)
26. Blackfeet, Gros Ventre Tribes, and Assiniboine Tribes of Montana (PL 97-408~~;-~~)
27. Papago Tribe of Arizona (PL 97-408~~;-~~)
28. Red Lake Band of Chippewas (PL 98-123~~;-~~)
29. Assiniboine Tribes of Fort Belknap Indian Community and Fort Peck Indian Reservation of Montana (PL 98-124~~;-~~)
30. Chippewas of Lake Superior including the Bad River Band, Lac du Flambeau Reservation, Lac Courte Oreilles Band, Sokaogon Chippewa Community, Red Cliff Reservation, and St. Croix Reservation of Wisconsin (PL 99-146~~;-~~)
31. Keweenaw Bay Indian Community of Michigan (PL 99-146~~;-~~)
32. Fond du Lac, Grand Portage, Nett Lake, and White Earth Reservations of Minnesota (PL 99-146~~;-~~)
33. White Earth Band of Chippewas in Minnesota (PL 99-264~~;-~~)
34. Saginaw Chippewa Indian Tribe of Michigan (PL 99-346~~;-~~)
35. Chippewas of the Mississippi including Mille Lac, White Earth, and Leech Lake of Minnesota (PL 99-377~~;-~~)
36. Band of Potawatomi, including Hannahville Indian Community and Forest County Potawatomi, of Wisconsin (PL 100-581~~;-~~)
37. Puyallup Tribes under the Puyallup Tribe of Indians Settlement Act of 1989 (PL 101-41~~;-~~)
38. Seneca Nation of New York under the Seneca Nation Settlement Act of 1990 (PL 101-503~~;-~~)
39. Catawba Indian Tribe of South Carolina (PL 103-116~~;-~~)
40. Confederated Tribes of the Colville Reservation (PL 103-436~~;-~~)

Disregard as assets any lump sum or periodic payments received under the Cobell v. Salazar Class Action Trust Case during the one-year period beginning on the date of receipt (PL 111-291).

Disregard up to \$2,000 per calendar year held by an individual Native American that is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs (PL 103-66, 92-203, and 100-241).

Disregard the first \$2,000 of individual shares for the following:

1. Confederated Tribes of the Warm Springs Reservation (PL 97-436~~+~~)
2. Old Age Assistance Claims Settlement Act (PL 98-500~~+~~)
3. Seminole Nation of Oklahoma (PL 101-277~~+~~)
4. Seminole Tribe, Miccosukee Tribe of Indians, and the independent Seminole Indians of Florida (PL 101-277~~+~~)
5. Rincon Band of Mission Indians (Docket 80-A~~+~~)
6. Walker Paiute Tribe (Docket 87-A~~+~~)
7. Ak-Chin, Salt River Pima-Maricopa, and Gila River Pima-Maricopa Indian Communities (Docket 228~~+~~)
8. Maricopa Ak-Chin Indian Community (Docket 235~~+~~)
9. Peoria Tribe of Oklahoma (Dockets 313, 314-A, and 314-B~~+~~)
10. Yankton Sioux Tribe (Dockets 342-70 and 343-70~~+~~)
11. Wichita and Affiliated Tribe (Keechi, Waco & Tawakonie) of Oklahoma (Dockets 371 and 372~~+~~)

## Native American Trust Funds

Disregard up to \$2,000 per calendar year held by an individual Native American that is derived from restricted land or land held in trust by the Department of Interior, Bureau of Indian Affairs.

## Earned Income Tax Credit (EITC)

Disregard any Earned Income Tax Credit (EITC) payments received by participating food unit members for 12 continuous months from the month of receipt. If there is a break of one day or more, count the remaining EITC as an asset. The 12-month period is still continuous if there is a break in service (see Section 2.3.1 Break in Service).

Example <del>58</del>	John, a FoodShare member, received a \$1,000 EITC lump sum payment in January and deposited it in his savings account. On March 31, he is ineligible for benefits for failure to complete a renewal. On April 3, he reapplies for FoodShare and is found eligible. Count any remaining amount of the \$1,000 EITC payment as an asset.
--------------------------	--

## IDA Program

Disregard total Individual Development Account (IDA) balances as assets if it is an account funded under TANF (Community Reinvestment) or the Assets for Independence Act (AFIA).

## **Wisconsin Sales Tax**

The one-time rebate payment of Wisconsin sales taxes in January 2000 should be counted as an asset in the month of receipt.

## **Wisconsin Higher Education Bonds**

Wisconsin Higher Education Bonds were sold by the state to the public as a way to save for a higher education. To determine their net value as an asset, subtract broker's fees from market value.

- The bonds also may be sold back to the state within certain time restraints. If the bonds are sold back:
  - Before the maturity date, a portion of their value is withheld. The amount withheld equals the school's tuition and fees. Any excess goes to the person.
  - On or after the maturity date, the value is the total amount received.
- The bonds may be sold on the secondary bond market at any time. Since they can be disposed of on the market with no time limit, they are an available asset. Net value = market value - broker's fees. Verify the amounts through a broker.

## **529(a) and Coverdell 530 Education Accounts**

Per section 5(g)(8)(A) of the Food and Nutrition Act of 2008, disregard the value of any funds in a qualified tuition program described in Section 529 of the Internal Revenue Service Code of 1986 or the Coverdell Education Savings Account under Section 530 of that code.

## **Agent Orange Settlement Fund**

Disregard payments received from the Agent Orange Settlement Fund, or any other fund established in settling "In Re Agent Orange product liability Settlement Fund litigation, M.D.L. No. 381 (E.D.N.Y.)" as assets. Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to January 1, 1989.

## **Radiation Exposure Compensation Act**

Disregard payments from any program under the Radiation Exposure Compensation Act (PL 101-426) paid to compensate injury or death resulting from exposure to radiation from nuclear testing (\$50,000) and uranium mining (\$100,000). When the affected person is deceased, payments are made to the surviving spouse, children, parents, or grandparents of the deceased. The federal DOJ makes the payments. Continue to disregard the payments for as long as they are identified separately. Apply this disregard retroactively to October 15, 1990.

## **Life Insurance**

Disregard the cash value of any life insurance policies.

## **Crime Act of 1984**

Disregard payments to crime victims under the Crime Act of 1984.

## **Veteran's Administration Disability Pension Payments**

Disregard the annual adjustment in a VA disability pension as an asset in the month the food unit receives it. The VA usually makes this benefit adjustment in October.

## **SSI PASS Accounts**

Disregard income of an SSI recipient necessary to fulfill a Plan to Achieve Self-Support (PASS) as an asset regardless of the source. This income may be spent in accordance with an approved PASS or deposited into a PASS account.

The SSA must approve the ~~individual's~~ SSI recipient's PASS in writing, identifying the amount of income that shall be set aside each month to fulfill the PASS.

## **Victims of Nazi Persecution**

Disregard as an asset any payment under PL 103-286 to victims of Nazi persecution.

## **Student Financial Aid**

Disregard student financial aid as an asset as long as the student is enrolled in an institution of higher education. If the student graduates or dis-enrolls from school, count any remaining available student financial aid as an asset.

## **Shelters for Victims of Domestic Violence**

When determining eligibility for a food unit living in a shelter for victims of domestic violence, disregard assets that are jointly owned with someone in its former food unit if agreement of the joint owner still living in the former food unit is needed to access the asset.

## **Achieving a Better Life Experience (ABLE) Account**

Per section 103(a) of the Tax Increase Prevention Act of 2014, consistent with Section 5(d)(10) of the Food and Nutrition Act of 2008, ABLE accounts are considered disregarded assets. An ABLE account is a tax-favored saving account established to provide secure funding for disability-related expenses on behalf of designated beneficiaries.

## **Income Tax, Refund, Rebate, or Credit**

For food units ~~that include an Elderly, Blind, or Disabled member that is over 200% FPL and~~ subject to regular ~~FoodShare~~ SNAP rules, disregard any remaining portion of a federal income tax refund, rebate, or credit for 12 months following the month the refund is received.

## **4.4.1.5 LIQUID ASSETS** 8 Divestment

---

### **Stocks, Bonds, and Other Investments**

Count the current cash value of any available investment that includes, but is not limited to, stocks, bonds, or mutual funds. Available means that the asset could be cashed in at any time. Investments that are part of retirement plans are generally not available until someone is of retirement age.

To calculate the net value of investments such as stocks, bonds, or mutual funds, verify the current value(s) as of closing of the market on the day before you do the calculation. For individual stocks or bonds, multiply the value per share times the number of shares. Deduct any losses or penalties charged as a result of a potential sale or early withdrawal.

### **Loans**

Count any loan to a food unit member as an asset, even if the food unit member anticipates spending it in the same month.

### **Loan Repayments**

Count the principal of a loan repayment to a food unit member from a non-food unit member as an asset.

### **Savings and Checking Accounts**

Count money deposited in a savings or checking account. Disregard the value of outstanding (un-cleared) checks.

### **Cash**

Count any cash on hand as an asset.

### **U.S. Savings Bonds**

Count the cash value of a U.S. Savings Bond unless it is unavailable. A bond is unavailable only if the food unit proves it tried to cash the bond and was refused.

### **Nonrecurring Lump Sum**

Count nonrecurring lump sums beginning with the month of receipt.

### **Interest Income**

Count interest, dividend, and royalty income as an asset if not received directly.

Example 6	Mary has a certificate of deposit (CD). She receives an interest check every time the CD matures. The interest is income. If she leaves the interest to accumulate, count it as an asset.
--------------	---

## 4.4.1.6 DIVESTMENT

7 CFR 273.8(h)

The FoodShare applicant or food unit is not eligible if a member has given away or transferred assets in excess of the asset limit that would have been counted in the eligibility determination:

1. Within three months before the date of application or while receiving FoodShare, and
2. The reason for transfer was to become or remain eligible for FoodShare.

The following asset transfers are not divestments:

1. Assets that would have been disregarded.
2. Assets sold or traded at or near their fair market value.
3. Assets transferred between members of the same food unit.
4. Assets given away for reasons other than to qualify for or keep FoodShare eligibility. It is the food unit's responsibility to prove the reason for the transfer was other than to create or continue eligibility.
5. An inheritance is disclaimed under s. 853.40, Wis. Stats. A disclaimer occurs when a beneficiary renounces any claim to an inheritance. A disclaimer is not a divestment as the person disclaiming never gains ownership of the disclaimed asset. The disclaimer must be filed in the probate court having jurisdiction. It is also filed in the office of the register of deeds in the county in which any real estate is located.

### 4.4.1.68.1 Period of Ineligibility

Add the value of the divested assets to other countable asset values. Determine how much this total exceeds the FoodShare assistance group's asset limit. Use the chart in Section 8.1.4 Disqualification for Divestment to determine the ineligibility period.

Example <u>79</u>	<p>An EBD food unit of one with \$1,250 in savings transferred the ownership of <del>non-homestead property</del> <u>stocks</u> worth \$5,650 to a person not in the same food unit. As calculated:</p> <p>\$ 5,650 = value of <del>property</del> <u>stocks</u> = countable divested value</p> <p>+ 1,250 = food unit's existing assets</p> <p>\$ 6,900 = total of food unit's assets and divested value</p>
----------------------	---

	- 4,250 = food unit's asset limit \$2,650 = divested value in excess of food unit's asset limit. The divested value in excess of food unit's asset limit is used to calculate the FoodShare disqualification period. <del>Disqualify the food unit for nine months.</del>
--	---

The period of ineligibility begins at either:

1. The month of application, ~~or~~
2. The first allotment issued after the notice of adverse action period has expired in an ongoing FoodShare case, unless a fair hearing and continuation of benefits is requested.



## 4.6.4 Medical Expenses

### 4.6.4.1 Allowable Medical Expenses

---

Allow previously acquired charges (not yet paid) and current payments when calculating a medical expense deduction. Previously acquired charges include charges incurred any time before or during the certification period, as long as the individual person is still obligated to pay the expense and the incurred expense has not been previously allowed as a FoodShare deduction.

Past unpaid medical bills can be used to prospectively budget recurring medical expenses ~~at application or renewal~~.

One-time medical expenses (such as, hospital bills) can be budgeted for one month or averaged over the remaining certification period.

Medical expense payments made during the certification period are allowable. Medical expenses paid prior to the certification period are not allowable.

Example 1	Jack has surgery in January and receives a hospital bill for \$400 in February. Jack then applies and becomes eligible for FoodShare in April. At the time of application, Jack has not made any payments toward the medical bill. The IM worker can use the entire \$400 hospital bill when calculating Jack's medical expense deduction.
Example 2	Jack has surgery in January and receives a hospital bill for \$400 in February. He makes his first \$50 monthly payment toward his medical bill in March. Jack then applies and becomes eligible for FoodShare in April. The IM worker cannot use the \$50 March payment when calculating the medical expense deduction. The IM worker can, however, use the remaining \$350 of the hospital bill ( $\$400 - \$50 = \$350$ ) to calculate the deduction.

Allowable medical expenses ~~are~~ include:

- Medical and dental care (including psychotherapy and rehabilitation services) provided by a state-licensed practitioner, other qualified health professional, ~~chiropractors~~ chiropractor, or acupuncturist.
- Hospitalization, outpatient treatment, nursing care, and nursing home care. This includes payments by the food unit for a person who was a food unit member immediately before entering a state-recognized hospital or nursing home.
- Prescription drugs when prescribed by a licensed medical practitioner authorized under state law. This includes the cost of postage for mail-order prescription drugs.
- Over-the-counter medication when approved by a licensed practitioner or other qualified health professional.

Note Certain over-the-counter hemp products are allowable expenses when a licensed medical practitioner or qualified health professional has

prescribed or approved them. Current federal guidance states that only products that contain a delta-9 tetrahydrocannabinol (delta-9 THC) concentration of no more than 0.3% on a dry weight basis can be considered allowable. Medical marijuana and other Schedule 1 controlled substances are not allowable medical expenses.

- Sickroom equipment (including rental), other prescribed equipment, and medical supplies.
- Health insurance premiums, hospitalization insurance premiums, Medicare premiums, and monthly HealthShare contributions.
  - Nursing home care insurance policies are deductible only if the policy states that the benefits are intended to pay medical bills. If the policy is intended to pay medical bills, it is reasonable to conclude that the food unit member intends to use the benefits for paying medical bills rather than normal living expenses.
  - Only allow the premium of the elderly, disabled, or blind food unit member.

Example 3	A mother pays \$165 for herself and her disabled son. If she only covered herself, the payment would be \$100. Therefore, \$65 is the expense for the child.  Count the \$65 as an allowed medical expense.
--------------	---

- If the premium amount intended for the eligible food unit member is unknown, prorate the premium and allow the EBD member's portion of the premium as the expense.

Example 4	A disabled husband, a non-disabled wife, and two children have a family health insurance plan. It cannot be readily determined how much of the premium is for the disabled husband. The premium is \$1,000 per month. To find the husband's share of the premium divide the total premium \$1,000 by the number of people covered under the plan, which is four. The premium amount per person is \$250. The husband's allowable premium expense is \$250.
--------------	--

- Dentures, hearing aids, and prosthetics.
- Purchase and maintenance costs of any service animal specially trained to perform some function that the EBD food unit member cannot readily perform on their own.
  - This includes the cost of securing and maintaining a service animal (such as food and veterinarian care.)
  - This also includes companion animals specifically trained to assist the EBD food unit member with the medical issue for which a licensed practitioner prescribed the animal. (The trainer does not need to have any special credentials and can be the person claiming the deduction as long as the animal is trained to do a specific function the EBD person cannot do for themselves.)
  - Reimbursement for each expense is an allowable deduction if:
    - Only for the amount of the actual expense.

- It does not represent a gain or benefit to the food unit as do normal living expenses such as rent or mortgage, personal clothing or food eaten in the home.
  - It is provided specifically for an identified expense.
  - It is used for the purpose intended.
- Eyeglasses and contact lenses prescribed by an ophthalmologist or optometrist.
- Reasonable cost of transportation and lodging to obtain medical care. For transportation when the expense has not or will not be reimbursed by a third party, allow:
  - The actual cost of the public carrier (taxi, bus, etc.); ~~or,~~
  - If a private vehicle, the lesser of the mileage rate paid by the county (to employees) or by the state for unrepresented state employees. See the [State of Wisconsin Travel Guide](#) ~~Non-State Employee Expense Report~~ to obtain the current state rates.
- Charges for an attendant, homemaker, home health aide, child care, or housekeeper necessary due to age, infirmity or illness.
- Treat attendant care costs that qualify either as a medical or dependent care deduction as a medical deduction.
  - Deduct an amount equal to the one-person maximum allotment if the food unit furnishes the majority of the attendant's meals. Use the allotment in effect the last time eligibility was determined.
  - ~~You~~ M workers must update the amounts at the next scheduled renewal but may do so earlier.
  - Any cost-sharing, co-payment, or Medicaid deductible expense incurred by a Medicaid member, including Medicaid deductible pre-payments.
  - Payments made on a loan's principal if it was used to pay a one-time medical expense. Do not allow loan expenses, such as interest.
  - BadgerCare Plus and Medicaid Purchase Plan (MAPP) premiums.
  - The SeniorCare enrollment fee.
  - Lifeline/MedicAlert. The costs of Lifeline or MedicAlert devices used by persons to contact medical help in emergencies are an allowable medical expense deduction for FoodShare benefits if prescribed by a licensed practitioner or other qualified health professional.
  - Medical expenses billed on a charge card are allowable. The interest cannot be included as a deduction.
  - Exercise equipment prescribed by a licensed practitioner or qualified health professional. A recommendation or referral for the equipment is not valid justification to allow the expense.
  - The cost of a medically necessary app or any subscription fee associated with the app. This could include, but is not limited to, an insulin monitoring app or an app that reminds someone to take their medications. Verification that the app was prescribed and is medically necessary is required from a medical professional.

# 6.1.1 Change Reporting for All Food Units (Simplified)

7 CFR 273.12(a)(5)(v)

~~7 CFR 273.11(c)(1)(ii)~~

All food units are subject to simplified reporting rules. ~~Whether or not the unit is~~ Simplified reporting rules mean food units are only required to ~~submit a six month report form (three things during their certification period outside of their SMRF and renewal:~~

1. When their assistance group's gross monthly income received goes above 130% FPL
2. When an ABAWD's work hours drop below 80 hours per month
3. When a person in the food unit has received a substantial lottery or gambling winning (see SECTION 6.1.1.1 SUBSTANTIAL LOTTERY OR GAMBLING WINNING), ~~the~~

## 130% FPL Reporting

The food unit must report by the 10th of the following month when the assistance group's (see Section 3.3.1 Food Unit/FoodShare Assistance Group/Relationships)- gross monthly ~~gross~~-income received exceeds 130% FPL (see SECTION 8.1.1 INCOME LIMITS).

The gross monthly-~~gross~~-income limit is based on the assistance group size that existed at the time of its most recent certification action, regardless of any subsequent changes in the size of the assistance group.

Example 1	<p>Mike is a FoodShare member that was certified with income under 130% FPL. Mike's hours and rate of pay increase in the middle of January. Mike's total gross <u>monthly</u> income on the paychecks he received in January did not put the assistance group over 130% FPL.</p> <p>Mike's pay dates for February are February 13 and February 27. When Mike receives his paycheck on February 27, the assistance group's total gross <u>monthly</u> income received is now over 130% FPL. The change in income must be reported by March 10.</p>
Example 2	<p>Ted is receiving FoodShare and is certified under 130% FPL. Ted starts a new job on December 30. He receives his first paycheck on January 17. His gross income received from his first paycheck puts his assistance group over 130% FPL. Ted must report the change in income by February 10.</p>
Example 3	<p>Kate, Trina, and Randy are a food unit of three. Kate is an ineligible student (gross deemer). Trina and Randy are both eligible for and</p>

	receiving FoodShare (assistance group of two). If the food unit's gross monthly income exceeds 130% of the FPL for an assistance group of two people, the food unit must report the change by the 10th of the following month.
--	--

Anticipated receipt of income **and/or** work hours is not required to be reported, even if the anticipated income is expected to put the **food-unit assistance group** over the gross **monthly** income 130% FPL. A reported change in income can only be used in the budget after it is received.

Example 4	Reggie reports during the interview that he expects to start a new job next month. Because the job has not started and a paycheck has not been received, no income is to be budgeted. Reggie is required to report when the income they receive from the job puts the <b>food-unit's assistance group's</b> income above 130% FPL.
-----------	--

Once an assistance group has been certified eligible with a gross **monthly** income above 130% FPL, **all they have no further income** reporting requirements **have been met** until the next SMRF or renewal.

Example 5	Marlo is receiving FoodShare and is certified at 131% FPL. Two months later Marlo changes jobs and her <b>gross</b> monthly income is now at 240% FPL. Since Marlo was certified over 130%, Marlo does not need to report her income change until her next Six--Month Report Form (SMRF) or renewal.
-----------	--

### **Reporting exception: ABAWDs**

ABAWDs must report by the 10th of the following month when their work hours fall below 80 hours per month (see SECTION 3.17.1.2.1 DEFINITION OF WORKING FOR FOODSHARE WORK REQUIREMENT FOR ABAWDs-).

### **Substantial Lottery or Gambling Winning**

Any food unit member that receives a substantial lottery or gambling winning must report by the 10th of the following month (see SECTION 6.1.1.1 SUBSTANTIAL LOTTERY OR GAMBLING WINNING)

However, if any change is reported or becomes known to the agency, it must be acted upon. When the information is not verified upon receipt, it may be appropriate to request clarification of the change.

See Section 5.1.1 Transitional FoodShare Benefits (TFS) for **change**-reporting requirements for Transitional FoodShare (TFS) members.

**Note** Failing to report a change may result in an overpayment (see SECTION 7.3.1.1 OVERPAYMENT CLAIMS AGAINST FOOD UNITS).

## 6.1.1.1 Substantial Lottery or Gambling Winning

7 CFR 273.11(r)

Effective November 1, 2023, FoodShare members must report a substantial lottery or gambling winning. Any food unit that reports receiving a substantial winning on or after this date, while receiving FoodShare, will lose their eligibility.

A substantial lottery or gambling winning is a cash prize, won in a single game (ticket, hand, similar bet), before taxes or other amounts are withheld. The substantial winning is equal to or greater than the asset limit for elderly or disabled households (see SECTION 8.1.1.3 ASSET LIMITS for the current substantial winning limit).

A substantial winning received before an initial application or before the effective policy date does not affect eligibility. Only count a substantial winning received during the certification period.

Members must report the substantial winning by the 10th day of the month following the month they received the winning. The member must report the winning at SMRF or renewal if either is before the 10th of the following month. The household may reapply at any time after losing eligibility due to a lottery and gambling closure.

However, at reapplication, the household must be tested and recertified using regular SNAP rules, not broad-based categorical eligibility (BBCE) or categorical eligibility (CE). Test each application using regular SNAP rules until the household is found eligible.

<u>Example 6</u>	<u>Jürgen wins \$10,000 playing a slot machine. He loses FoodShare eligibility for receiving a substantial winning. Jürgen reapplies for FoodShare and is found ineligible under regular SNAP rules. Two months later, Jürgen lost his job and spent the winning on living expenses. He reapplies for FoodShare. His application must be tested using regular SNAP rules. He is found eligible.</u>  <u>At Jürgen's six-month report and renewal, his case will be tested under BBCE.</u>
------------------	---

Members are required to report a substantial winning received out-of-state.

### Household Changes

A substantial winning only applies to the food unit where the winning was originally received. The winning never follows the winning member to another household. When a newly formed food unit or a food unit where the household composition has changed since the closure reapplies, the regular SNAP rules are not applicable. The food unit will be able to apply and be tested under BBCE or CE rules.

A substantial winning received before November 1, 2023, and before an initial application does not affect eligibility.

Example 7	<p>Carlos, Lisa, and Paige are all in the same household receiving FoodShare. Paige buys a lottery ticket and wins \$10,000. She reports the winning and the case is closed. The household immediately reapplies for FoodShare. The case is tested and fails under regular SNAP rules.</p> <p>Two months later, Paige leaves the household to live on her own. After moving, Paige reapplies for FoodShare, she is tested under BBCE and is found eligible. Lisa and Carlos also reapply, are tested under BBCE, and are found eligible.</p>
--------------	--

Example 8	<p>Ron received a substantial winning six months ago. He has not been found eligible under regular SNAP rules. Seven months after receiving the winning, his sister Birdy moves in. This is a change in household composition. If Birdy and Ron reapply for FoodShare, their case does not need to be tested under regular SNAP rules.</p>
--------------	--

Relevant food unit changes include but are not limited to:

- A member is added to the food unit.
- A member leaves the food unit.

### **Joint Purchase and Shared Winning**

Multiple members in the same food unit may split the cost of a ticket and the winning. If the amount each member received is over the substantial winning amount, the food unit will lose eligibility. If the amount each winning member received is under the substantial winning amount, they will retain their eligibility.

A member may share the cost of the ticket and the winning with someone outside of the food unit. The member should only report the amount of the winning they received, not the total amount of the winning. If the amount received is over the substantial winning amount, the food unit will lose eligibility.

Example 9	<p>Toua is receiving FoodShare and is the only person in his household. Toua evenly splits the cost of a lottery ticket with his friend, Yeng. They win \$5,000 and split the winning. Toua receives \$2,500. He does not need to report this winning because \$2,500 is under the substantial winning threshold.</p>
--------------	---

Example 10	<p>Amina has been receiving FoodShare for two years. She is in a food unit with five other people. An agency discovers that Amina received a lottery winning of \$7,000 five months ago. Amina has never reported the winning. Her case should close. Amina's household will be subject to overpayments from when the change would have been effective had they reported timely to the date the case was closed.</p>
---------------	--

### **Verification**

Members only need to verify a reported substantial winning if it is found to be questionable, incomplete, or unclear.

A member's verbal or written statement, lottery or gambling claim form, collateral contact with a gaming entity, or other document that clarifies the questionable information is all that is needed for verification.

If verification was requested and not received, and the food unit's case is closed for failing to verify, the food unit will still need to be retested under regular SNAP rules at the next reapplication.



## 6.1.2 Six Month Reporting Requirement

7 CFR 273.12(a)(iii)

Food units certified for 12 months and subject to simplified change reporting requirements are required to submit a six-month report form (SMRF) in the sixth month of the certification period. The form and any supporting documentation required to verify reported changes on the form must be submitted by the end of the sixth month (month the SMRF is due) to avoid a break in service.

Elderly, Blind ~~and~~ or Disabled (EBD) food units without earned income are exempt from the six-month report requirement.

The following changes in income must be reported on the SMRF for FoodShare members:

- A change of \$125 or more in unearned income based on the most recently verified amount.
- Changes in earned income (from the most recently verified information) that must be reported include:
  - Rate of pay.
  - Number of hours worked.
  - Loss of job.
  - Change from full to part-time.
  - New employment, but only if the first paycheck has been received by the time the SMRF is completed.
  - New or significantly changed self-employment.

Income verification at SMRF is only required for employment that meets the criteria listed above. An IM worker should not request verification of previously verified earned income that has not changed.

Self-employment income that has already been averaged is not to be re-verified, unless a significant change is reported.

Other changes that must be reported on the SMRF are:

- Household composition (persons that have moved in or out, including newborns~~);~~)
- New address and resulting changes in shelter expenses, ~~and~~
- Change in legal obligation to pay child support (see Section 4.6.5 Support Payment Deductions)
- New substantial lottery or gambling winnings (see SECTION 6.1.1.1 SUBSTANTIAL LOTTERY OR GAMBLING WINNING)

A signature is required on the SMRF. The SMRF can be signed by the primary person or by any adult food unit member or, if applicable, an authorized representative or legal guardian.

A-Any SMRF can be completed and submitted using the paper form, ACCESS, and by phone. A “no-changes” SMRF (all information on the mailed form is current and correct) can also be signed and submitted through MyACCESS.

**Note** The paper SMRF and the online form are available to members on ACCESS Renew My Benefits (RMB) and will have the employment, self-employment, unearned income, and child support expense fields pre-populated to reflect the most recently verified information in CWW. This is the income and expenses that are being used in the current FoodShare benefit calculation (the prepopulated information may not reflect all the income and expenses that factor into the budget).

SMRFs must be submitted by the end of the sixth month of the certification period to avoid a break in service. When a SMRF is submitted in month six with changes requiring verification, a verification checklist will be sent giving 20 days to provide the requested verification. When the due date for verification goes into the seventh month, FoodShare will reopen without a break in service so long as the required documentation is supplied on or before the verification due date.

<p>Example 1</p>	<p>Emma is certified for FoodShare from January to December. Emma's SMRF is due in June. Emma returns the SMRF June 27 and reports new employment. Emma did not provide verification of the new income with the completed SMRF. The IM Worker processes the SMRF on June 27. Although Emma returned the SMRF at the end of the process month, the due date for verification extends into July because the IM worker must allow 20 days to provide verification. Emma provides the requested verification on July 12, prior to the due date of July 17. Emma's certification period for FoodShare remains the same, January to December. Benefits go back to July 1 and are not prorated.</p>
----------------------	--

If FoodShare closes for lack of SMRF, verification, or other reasons and the food unit takes the required action within month seven of the certification period, the agency shall reopen FoodShare under the break in service policy and issue prorated benefits from the date the food unit took the required action. The benefit shall be prorated from the date the SMRF is returned if the action was taken prior to or by the verification due date set for month seven, or if the reason for closure is because of agency delay.

If FoodShare closes due to agency delay in processing a SMRF, benefits shall be restored back to the first of the month.

<p>Example 2</p>	<p>Jon is required to submit a SMRF in March. Jon submits the SMRF April 7 and the agency processes it on April 9. Jon reported a change in hours worked at existing employment and the case is pended for verification due April 29. Jon submits the verification April 27. Jon's benefits are prorated from April 7 forward because the verification was submitted by the due date, but the SMRF itself was submitted late.</p>
----------------------	---

<p>Example 3</p>	<p>Lillie was required to submit a SMRF by the end of August. Lillie submits the completed SMRF August 29. On the SMRF, Lillie reported new</p>
----------------------	---

	pension income. The agency processes the SMRF on September 2 and the case is pended for verification of pension income due September 22. Lillie provides the required verification on September 30. Lillie's benefits are prorated from September 30 forward because her verification was submitted after the due date.
--	---

If the SMRF process is not complete (a completed form and all verifications submitted) by the first day of month eight, a new application must be submitted unless the cause for delay into month eight is agency delay. In instances, when a complete SMRF is submitted in month seven and verification is required, verification must be provided before the end of month seven which may result in the member having less than 20 days to provide the verification. The worker will need to manually adjust the due date to coincide with the end of month seven.

Example 4	Gwen is required to submit a SMRF in <del>January</del> February. Gwen submits the SMRF in month seven on <del>February</del> March 26. Gwen must submit verification of her employment change by <del>February 28</del> March 31. If verification is not provided, Gwen will need to reapply in March because the required verification was not submitted by the end of month seven.
-----------	---

Example 5	<p>Joe has an open FoodShare case with a certification period of April through March with a SMRF due in September. Joe fails to return a timely SMRF in September and FoodShare closes effective September 30.</p> <p>Joe returns the SMRF with required verification on October 25, but the SMRF is incomplete and is missing a signature. The IM agency returns the SMRF to Joe and indicates that a signed SMRF must be submitted by October 31 to avoid needing a new FoodShare application.</p> <p>Joe returned the signed SMRF on November 2. Since the completed SMRF was not submitted by the end of month seven, Joe will need to reapply for FoodShare.</p>
-----------	---

## Complete Paper SMRF

To be considered complete, all of the boxes must be checked, and a signature must be provided on the SMRF. If a box is checked indicating a change but the details of the change have not been provided, it is still a complete SMRF. Missing details related to changes must be ~~pended~~requested or the worker must contact the member for clarification.

If the SMRF does not have all of the boxes checked or is missing a signature, it is an incomplete SMRF (see Process Help, [Section 3.4 Six Month Report Forms \(SMRFs\)](#) for processing instructions).

When an incomplete SMRF is received, the household is notified that it must provide the missing portions that were not completed. The household is only required to return or provide the worker with the information needed for the sections that were not completed. The agency will already have the completed portions of the form.

<u>Example</u> <u>6</u>	<u>Midge returns her SMRF on June 10 and completes the household information section and signs the form, the rest is incomplete. The agency sends Midge notice that her form was incomplete and a new SMRF. Midge completes all the sections of the form submitting it to the agency on June 25 but leaves the household information section blank and does not sign the form. Since those sections were already complete and submitted on June 10, the agency can now process the form as complete since all the sections on the form have been completed and submitted.</u>
----------------------------	---

## 6.1.3 Timely Action on Reported Changes During the Certification Period

### 6.1.3.7 Change Impact Matrix

Use the Change Impact Matrix to determine how to respond to changes reported by food units.

Food Unit Type	Initial Certification Period	Initial SMRF Requirement	Change Reported	Date Change Acted On	Impact on Certification Period	SMRF Requirement after Change
Regular	12 months	Yes	Homelessness or Migrant in household	<del>Prior to adverse action in the fourth month</del> <u>At any time during the certification period</u>	<del>Certification No effect on the original certification period of six</del> <u>12 months requiring a review in month six to continue eligibility</u>	<del>No</del> <u>Yes</u>
				<del>After adverse action in the fourth month</del>	<del>No effect on the original certification period of 12 months</del>	<del>Yes</del>
Homeless or Migrant	6 months	No	Reports securing housing or no longer migrant	<del>Prior to adverse action in the fourth month</del>	<del>Certification period of 12</del> <u>remains six months</u>	<del>Yes</del> <u>No</u>
				After adverse action in	Certification period remains	No

				the fourth month	<del>four</del> six months	
EBD household with earnings	12 months	Yes	Source of earnings ends	At any time	No effect	No
EBD without earnings	12 months	No	New source of earnings	Prior to adverse action in the fourth month	No effect	Yes
				After adverse action in the fourth month		No
TFS	5 months	No	Change in income, household comp, or other types of change	At any time	No effect	No
			Death of PP or when PP moves out of Wisconsin			TFS closes and member must re-apply

### 6.1.3.8 Processing ABAWD Changes

When an exemption is reported (and verified, if deemed questionable), workers must apply ~~an~~the exemption on the first of the month in which the exemption began, regardless of when the exemption is reported ~~or whether it is verified timely (see )~~.

The FoodShare Clock Page may need to be adjusted once ~~verification of~~ an exemption is ~~provided~~ applied to the case (see SECTION 3.17.1.13 ADJUSTING FOODSHARE CLOCK PAGE).

## 7.1.1 Allotments

### ~~7.1.1.4 MINIMUM ALLOTMENT FOR ONE OR TWO PERSON ASSISTANCE GROUPS~~ Minimum Allotment for One or Two Person Assistance Groups and Zero Dollar Allotments

7 CFR 273.10 (e)(2)(ii)(C)

Categorically eligible assistance groups that include one or two persons are eligible for a minimum \$23 allotment, except for the initial prorated benefit which cannot be less than \$10.

Note When testing under regular SNAP rules following a lottery or gambling closure, there is no minimum allotment for one- or two-person assistance groups.

FoodShare assistance groups with \$0 FoodShare benefits in their initial benefit month and an allotment greater than \$0 in the second month will be denied in the first month and opened in the second month. The 12-month FoodShare certification period will begin the month of application even though the first month may be denied because the allotment amount is \$0. If the benefit calculation is \$0 for the first two months, the application will be denied.

<u>Example 7</u>	<u>Barry applied for FoodShare in August after he lost his job. Barry received \$0 for August (due to excess income) and was found eligible for \$98 in September. His certification period starts in August.</u>
------------------	---

<u>Example 8</u>	<u>Tiffany applied for FoodShare on March 28. Tiffany was found eligible but received \$0 for March because her benefits were prorated. In April, she is eligible for \$55. Her certification period starts in March and her renewal will be due in February of the next year.</u>
------------------	--

Transitional FoodShare households will remain open if the FoodShare benefit is reduced to \$0 for the month between the benefit determination month and the month transitional FoodShare benefits (TFS) begin (see SECTION 5.1.1 TRANSITIONAL FOODSHARE BENEFITS (TFS)).

<u>Example 9</u>	<u>Donna accepted a job in July and her last W-2 check was issued in August. Her TFS benefit starts in September. Her income from her new job impacted her August allotment. The August allotment was reduced to \$0. However, the TFS benefit amount is based on the July budget minus the W-2 payment amount. The case remains open during the month of August and her TFS benefits start in September using the July information.</u>
------------------	--

## 7.1.1.5 Replacement Issuance for Destroyed Food

7 CFR 274.6

### Providing replacement benefits

~~Agencies will need to provide~~ Provide replacement benefits to a food unit when ~~the food unit reports~~ they report that food purchased with FoodShare benefits was destroyed in or as a result of a household misfortune or natural disaster.

There is no limit ~~onto~~ the number of ~~replacements that can be issued for the~~ times replacement ~~of food purchased with FoodShare benefits which were~~ can be requested ~~to replace food that was lost or~~ destroyed ~~in or as a result of~~ due to a household misfortune ~~or natural disaster~~.

**Note** When a Federal Individual disaster declaration has been issued and the food unit is eligible for DSNAP benefits, the food unit is not eligible to receive both a disaster (DSNAP) benefit and a replacement benefit for the same misfortune (see Section 5.3.1 Disaster Supplemental Nutrition Assistance Program (DSNAP) For Victims Of Natural Disasters).

### Replacement

Replacement benefits should be provided only if a food unit timely reports a loss orally or in writing. The report will be considered timely if it is made to the agency within 10 calendar days of the date food was destroyed in or as a result of a household misfortune or natural disaster. If the 10th day falls on a weekend or holiday, consider it to have been received timely if the member reports the loss on the business day following the weekend or holiday.

**Note** The benefit replacement amount is the lessor of the claimed loss, or, up to the full allotment that was issued for the month of loss. If a member is eligible for replacement benefits, and the food loss occurs prior to the member's regular monthly issuance, process the replacement under the prior month's issuance, even if the prior month's issuance is lower. The full allotment issued to the food unit includes any restored or supplement benefits.

Example 7	Lorraine's household was impacted by a power outage that occurred October 1 and lasted through October 2. On October 12, Lorraine calls the agency to report her loss of food purchased with FoodShare benefits. She states by October 3 her food had spoiled. This is considered a timely report. Note: To be eligible for replacement FoodShare benefits, Lorraine must complete and return the Request for Replacement FoodShare Benefits form ( <a href="#">F-00330</a> ) <del>and provide proof of the outage</del> within 10 days of her verbal report (October 12). The signed form <del>and verification</del> must be
-----------	--



	returned by October 22. Use the September benefit to issue the replacement.
--	---

The benefit replacement amount is the lessor of the claimed loss, or, up to the full allotment that was issued for the month of loss. The full allotment issued to the food unit includes any restored or supplement benefits.

Example 8	Mary and her daughter receive FoodShare benefits on the 3rd of each month. In June Mary's benefit was \$275, and in July her benefits will be \$345. There was a fire in their home on July 1. Mary goes into the agency on July 10 and reports that all of her food, valued at \$600, was destroyed in the fire. Mary completes the Request for Replacement FoodShare Benefits, (F-00330) and provides a statement from the Red Cross. Mary is eligible to have her benefits replaced. Process the replacement under June's issuance in the amount of \$275.
-----------	---

Example 9	Kevin receives FoodShare benefits of \$170 on the 4th of each month. Kevin calls July 10 to report his power had been out for more than four hours July 6. On July 7, he had to throw away his food due to spoilage. On July 16, he submits the completed Request for Replacement FoodShare Benefits (F-00330) and a news article about the power outage that occurred on July 6. Kevin claims he lost \$100 worth of food. The IM worker would issue Kevin \$100 in replacement benefits for July.
-----------	---

## Verifying FoodShare Eligibility

~~Upon receiving~~ When a verbal or written request for replacement benefits ~~for food destroyed in or as a result of a household misfortune or natural disaster~~ is received, the agency ~~will need to~~ must check to see that the food unit had received a FoodShare benefit ~~prior to~~ in the ~~date of~~ month that the misfortune occurred or the month before the misfortune ~~occurred~~.

Use the Benefit Issuance History page to determine if the food unit was receiving benefits prior to or at the time of the misfortune. Do not use the EBT Transaction Details page when determining replacement eligibility or amounts.

Example 10	Steve and his child received a monthly benefit of \$265 on July 14. Due to a change in circumstances Steve's August benefit amount increased to \$355. August 3, Steve calls and reports that his electricity was shut off on July 28. He was able to pay his bill and the power was turned back on August 2. The power outage caused all of his cold and frozen foods to spoil. Steve claims to have lost \$600. Steve is eligible for a replacement up to his full July issuance of \$265.
------------	--

~~Prior to issuing a replacement benefit, the agency will need to~~ The agency must determine that the loss occurred in or as a result of a household misfortune or natural disaster, such as, but not limited to, a fire, power outage, appliance failure, utility disconnection, or flood. A power outage lasting four hours or more can result in food spoilage and is therefore a qualifying household misfortune. Each replacement request ~~should~~ must be evaluated on a case-by-case basis since the circumstances of each

misfortune may be different (for example, food will spoil quickly during periods of extreme heat conditions, flooding may take a couple of days to reach the area food is stored or to damage an appliance).

For more information on food safety, review the U.S. FDA Food Facts resource on [Food and Water Safety During Power Outages and Floods](#).

A household misfortune does not include FoodShare benefits that were stolen. ~~Stolen benefits and food purchased with FoodShare that is stolen is a legal matter to be resolved by the FoodShare recipient with law enforcement.~~

## Time limits for replacing benefits

Replacement benefits ~~need to~~ must be issued to the food unit no later than 10 days after the report of loss or within two working days of receiving the signed form and ~~verification~~ verifying the loss, whichever date is later.

The agency ~~should~~ must deny or delay replacement benefits in cases in which available documentation indicates that the household's request for replacement appears to be fraudulent.

A worker must send a Notice of Denial ([F-16001](#)) to explain the reason for the denial. Inform the food unit of its right to a fair hearing to contest the denial or delay of replacement benefits. Replacements shall not be made while the denial or delay is being appealed.

Example 11	Ginny submits a Request for Replacement benefits form on November 20 stating her freezer broke down on November 15. Ginny is requesting replacement benefits of \$200 for the food she lost. The worker checks Ginny's FoodShare eligibility and notes that Ginny's FoodShare closed October 1. The worker must send Ginny a Notice of Denial ( <a href="#">F-16001</a> ) and explain that she is not eligible for replacement benefits because she was not eligible for or receiving FoodShare in November <u>or October</u> . The worker must also document the denial of the request in the case <u>record</u> . If Ginny files a fair hearing on this decision, no replacement benefits shall be issued while pending a decision.
------------	---

## Statement of Loss: Request for Replacement FoodShare Benefits form ([F-00330](#))

Prior to issuing a replacement, the agency must obtain from an adult member of the food unit a signed form attesting to ~~and verifying~~ the loss of food ~~(see -)~~. The ~~required verification and~~ form may be completed in person, mailed, faxed, or submitted by other electronic means to the agency.

If the signed form, ~~including required verification~~, is not received by the agency within 10 days of the date of the member's verbal or written report of the loss, no replacement is to be made. If the 10th day falls on a weekend or holiday, and the form ~~with verification~~ is received the day after the weekend or holiday, consider it to have been received timely.

The form ~~and verification need~~needs to be retained in the electronic case record. The form needs to attest to the destruction of food purchased with FoodShare benefits and the reason for the replacement. It must also state that the food unit is aware of the penalties for intentional misrepresentation of the facts, including, but not limited to, a charge of perjury for a false claim.

## Verification of loss

~~The member can verify the loss~~Verification of the household misfortune or natural disaster is required. Verification of the loss of food or value of food lost is not required. The agency can verify the misfortune or disaster through a collateral contact, documentation from a community agency including, but not limited to, the fire department, utility company, the Red Cross, or a home visit. The verification needs to support that there was a misfortune or natural disaster which resulted in the destruction of food.~~The member can request a worker's help in obtaining the verification (Section 1.2.1.3 Responsibility for Verification).~~

~~Following a verbal or written report of loss, the agency will need to send the food unit the Request for Replacement FoodShare Benefits form ( ) and the FoodShare manual verification form) ( ). The request must allow 10 days for the submission of the form and verification (see Section 1.2.1.2 Request for Verification).~~

If the agency cannot obtain verification of the misfortune or disaster, the replacement should be issued unless the request is believed to be fraudulent.

## Verification exception policy

When a “State of Emergency”, due to weather or natural disaster, has been declared by a government official for an area (county/zip code/city), verification of the misfortune is not required as long as the loss claimed was specifically due to the state of emergency event. The member has 10 days from the date the loss occurred to report orally or in writing. Allow 10 days for the Request for Replacement FoodShare Benefits form to be returned following the report of the loss. In some instances, the Department of Health Services may obtain approval to extend the timeframe for reporting and receiving a completed form. The Department of Health Services will issue additional information in these situations.

In instances where the loss of food is found to be questionable during a “State of Emergency,” the worker ~~should request verification of~~must verify the event which resulted in the loss of food. Document the reason(s) the loss was found to be questionable.

Example 12	A statewide “State of Emergency” was declared by the Governor due to severe weather. A number of counties sustained substantial damage from the storms including power outages lasting more than 24 hours. Other counties were unaffected by the storms. Terry is a FoodShare member who lives in a county that had little to no impact from the severe weather outbreak. Terry requests replacement benefits claiming his
------------	--

	electric was out for more than twelve hours. The county Terry lives in has had no reports of power outages. The worker finds Terry's request to be questionable. <del>Terry will need to verify</del> <u>The request is denied after the worker determines there was no power outage before replacement benefits can be approved</u> in Terry's county.
Example 13	A "State of Emergency" was declared by the Governor <u>on July 20</u> due to extensive flooding in Grant County. The Department <u>of Health Services</u> was granted <del>a special waiver</del> <u>approval</u> to allow households <u>up to 30 days</u> to report food loss, <u>or</u> by August 21. Jesse reports on July 31 that his home sustained substantial flooding resulting in the loss of his food. He claims to have lost \$300 in food on July <del>27</del> <u>21</u> . Jesse will need to complete a request form by August 21 (allowed by the extension) to be found eligible for replacement benefits. <del>Jesse</del> <u>The request is not questionable, so the worker</u> does not need to verify <del>his misfortune unless questionable</del> <u>the loss</u> .

## Documentation and reconciliation of replacement benefit requests

The agency must document in the food unit's case file each request for replacement, the date of the verbal or written request, the reason for the request, and whether or not the replacement was approved or denied.

When a request for replacement is made, replace the benefit for the month the loss occurred.

Note The "905" replacement supplement code must be used when issuing replacement benefits for destroyed food. This is essential for tracking, reconciliation, and reporting purposes.

### ~~7.1.1.6 Voluntary Refunded Benefits Amount~~ Replacement for Stolen Benefits

Some benefits stolen between October 1, 2022, and September 30, 2024, may be eligible for replacement. To be eligible for replacement, the theft must fall under certain acts of third-party theft. Third-party theft usually occurs when someone outside the household gains access to household benefits in ways including:

- Card Skimming – devices illegally installed on a point-of-sale terminal to capture card data or record FoodShare households' EBT card PINs.
- Card Cloning – an unauthorized user creates a digital or physical copy of a FoodShare QUEST card using skimmed or stolen card information.
- Scamming – phishing or "social engineering" results in a FoodShare member disclosing their EBT card information through a fraudulent phone call, letter, or text message.
- Identity theft – an unauthorized individual accesses and records the personally identifiable information of a FoodShare member through means other than card skimming to access and use their FoodShare benefits.

- Other similar methods of third-party theft may be considered for benefit replacement.

Eligible third-party thefts must meet certain criteria to qualify for replacement:

- The theft must have occurred on or between October 1, 2022, and September 30, 2024.
  - The date of discovery must be no later than October 30, 2024.
- The theft resulted in unauthorized purchases in or outside of the State of Wisconsin or resulted in unauthorized online purchases for delivery at an address unauthorized to the member.

<u>Example 14</u>	Pat is eligible to receive \$96 per month of FoodShare. Pat gives their EBT card and PIN to their friend Alex and asks Alex to go to the store to buy Pat a gallon of milk and loaf of bread. Alex instead spends the entire balance of Pat’s EBT card (over \$300). Pat reports the theft to the local agency and submits a replacement request form. Since Pat gave their card and PIN to Alex, Pat is not eligible for replacement benefits.
-------------------	---

- The theft occurred by an individual or party unknown and unaffiliated to the FoodShare member.

<u>Example 15</u>	Lily is eligible to receive \$96 per month of FoodShare. Lily gives her EBT card and PIN to her friend Derek and asks Derek to go to the store to buy a gallon of milk and loaf of bread. Derek purchases the milk and bread and returns Lily’s EBT card. A few months later, Lily discovers unauthorized out-of-state purchases debited from her FoodShare account. Lily reports the theft to the local agency and submits a replacement request form. An investigation reveals that Lily’s EBT card was involved in a fraud skimming ring. Since Lily’s benefits meet the criteria for third-party theft, Lily is eligible for Replacement Benefits.
-------------------	--

- The theft occurred up to 30 calendar days prior to the date of discovery, within the eligibility timeframe of October 1, 2022 and September 30, 2024.
  - Members may encounter an emergency or uncontrollable situation that impacts their ability to meet the timely filing requirement. Exceptions beyond 30 days for the date of discovery may be granted on a case-by-case basis for these situations to support the member.
- The household has not already received two stolen benefit replacements in the current federal fiscal year (October 1 to September 30 of the following year).

Note The date of discovery is the date a member, a household, or the agency discovers that benefits were stolen.

The replacement amount is the total amount of benefits stolen, or the amount equal to two months of the household’s calculated monthly allotment for the date immediately prior to the date in which the theft occurred, whichever is less.

Note The monthly allotment includes D-SNAP and Emergency Allotments.

The replacement plan was implemented on September 1, 2023 (see [Operations Memo 23-29 FoodShare Fraud Replacement Benefits](#)).

When a replacement request is received, the active Wisconsin QUEST Card will be deactivated and a new card will be issued. The replacement card is issued without requiring a replacement card fee.

Most decisions to issue a replacement will be made within 30 days of the replacement request form being received. If approved, the replacement must be deposited into the Wisconsin QUEST Card account within 24 hours, and a letter sent to the member. If denied, the member will receive a written communication that includes the reason for denial and their fair hearing appeal rights.

### **Fair Hearings**

The denial notice will inform the food unit of its right to a fair hearing to contest the denial. Replacements shall not be made while the denial is being appealed.

### **Fraudulent Replacement Requests**

In the event a member intentionally files a false request, including but not limited to providing false information or withholding information, the case will be investigated for a potential intentional program violation (IPV) and ensuring appropriate actions are taken.

## **7.1.1.7 Voluntarily Refunded Benefits Amount**

FoodShare benefits may be returned because the FoodShare assistance group voluntarily refunds them. Document in case comments appropriately when benefits are voluntarily returned.

## **7.1.1.7-8 Deny Benefit Increases Due to Penalties in Other Programs**

7 CFR 273.11(j)

Do not increase a FoodShare assistance group's allotment when an individual's cash benefits under any other federal, state or local means-tested public assistance program are reduced for failure to perform an act required by the other program. Specifically:

1. Failure to comply with work programs,
2. Failure to comply with school attendance requirements (Learnfare), or
3. An act of fraud under that program.

Example 14	A_W-2_participant intentionally fails to comply with a W-2 requirement and is sanctioned \$70 for non-participation. The W-2 group will only receive a check for \$603; however, the full amount of \$673 must be budgeted for FoodShare.
------------	---

Means-tested public assistance programs include, but are not limited to, W-2 or the Refugee Assistance Program. -\_SSI\_ is not considered a means-tested program for these requirements.

Do not apply this policy if the food unit, or a new member in the food unit, is determined ineligible for the means-tested program at application. The food unit must already be receiving benefits, and the failure to comply must result in a reduction, suspension, or termination of those benefits.

No increase in the FoodShare allotment should be made for the duration of the penalty period. If other reductions or changes to the other program's benefits occur during the penalty period, which are unrelated to the failure to comply, the FoodShare allotment must be adjusted accordingly.

If the person or food unit is subject to a penalty period in both the FoodShare program and another program, apply the FoodShare penalty period first. If the other program's penalty period is longer, that penalty will continue after the FoodShare period is completed. The prohibition on increasing benefits follows a person who moves from one food unit to another.

## 7.1.1.8-9 EBT Benefit Issuance Calendar

7 CFR 274.2(d)

Benefit distribution is based on the eighth digit of the member's SSN. The schedule below is also posted on the [FoodShare webpage](#).

Eighth Digit of SSN	Day of Month FoodShare Benefits will be available
0	2nd
1	3rd
2	5th
3	6th
4	8th
5	9th
6	11th
7	12th
8	14th
9	15th

## 7.1.1.9-10 Expungement

---

If there has been no EBT card activity for at least ~~365~~274 days, any monthly benefits that are older than ~~365~~274 days will be expunged. The expungement occurs only for benefits that were issued more than ~~365~~274 days in the past. The 274-day period resets every time a member uses their EBT card to purchase eligible food items, regardless of amount. Expungement may occur over multiple months if card inactivity continues (see Process Help, [Section 80.7 Expunged Benefits](#)).

When all food unit members are deceased, EBT benefits will expire.



## 7.2.1 ~~ELECTRONIC BENEFITS TRANSFER~~ (~~EBT~~)Wisconsin Quest Card

FoodShare benefits are deposited in a member's account using an Electronic Benefit Transfer (EBT) system and are spent using a debit-like card called the Wisconsin QUEST card. Like other debit cards, the QUEST card must be activated by the cardholder, and the cardholder must create a Personal Identification Number (PIN) before it can be used. The cardholder will be asked to provide this PIN whenever a transaction is made.

### 7.2.1.1 QUEST Card Uses

The Wisconsin QUEST card allows access to FoodShare benefits through point-of-sale, swipe card terminals, or [online EBT payment options](#) with participating SNAP retailers. These transactions look like any other debit card transaction and are free to the cardholder.

Online and phone orders:

- FoodShare members placing pick up orders online or by phone must use their EBT card to pay at the time of pick up. This can be done in-store or by using a store's mobile point-of-service device.
- FoodShare members using a designated representative to pick up orders placed online or by phone using a EBT card must give the EBT card to the designated representative. The designated representative must use the EBT card to pay at the time of pick up. This can be done in-store or by using a store's mobile point-of-service device.
- FoodShare members ordering online or by phone for delivery must enter their EBT card information into the online payment system. Their FoodShare benefits are debited from their account following delivery of the order.

Example 1	<u>Hannah calls the local grocery store to place a grocery order for pickup. Hannah cannot use a FoodShare EBT card to "pre-pay" for the groceries. However, when Hannah goes to the store to pick up the food, Hannah can use an EBT card to pay for eligible food items.</u>
-----------	--

Example 2	<u>Sam places a grocery order online with Walmart for \$80. Sam is using FoodShare to pay for this order. Sam enters the information from their EBT card into the payment section. Sam's groceries are delivered two days later. Following the delivery of the grocery order, Sam's FoodShare account is debited \$80 for the cost of food purchased online through Walmart.</u>
-----------	--

**Advanced payment exception:** FoodShare benefits can be used to pay in advance when prior payment is for food purchased from a nonprofit cooperative food purchasing venture.

## **7.2.1.2 Temporary QUEST Cards**

A temporary QUEST card is for FoodShare members who need access to their benefits right away, including but not limited to:

- A new cardholder who meets expedited service requirements (see SECTION 2.1.4 EXPEDITED SERVICE AT APPLICATION).
- An existing cardholder whose permanent QUEST card has been damaged, lost, or stolen and who cannot wait until they receive a replacement card in the mail to access their benefits.

A temporary QUEST card can be obtained at the agency and, once activated and assigned a PIN, functions just like a permanent QUEST card. Like a permanent QUEST card, it can be used to purchase eligible food items at authorized SNAP retailers. However, a temporary QUEST card is only usable for 30 days or until the member assigns a PIN to their new permanent card, whichever is sooner.

### **7.2.1.2.1 Requirement to Offer Opportunity to Receive a Temporary QUEST Card**

Households approved for expedited benefits must be offered the opportunity to come into the agency to receive a temporary card on the same day they are approved for expedited issuance, or the next business day after they are approved. This offer must be documented in the case file.

### **7.2.1.2.2 Determining Eligibility to Receive a Temporary QUEST Card**

Eligibility for a temporary card must be determined by a worker at the time of the request.

To request a temporary card in both expedited and non-expedited situations, the Temporary QUEST Card Request Form ([F-02260A](#)) must be completed by the requestor and then submitted in person at the agency. This form asks the requester to share information about themselves and their relationship to the case, provide information about the reason for their request, and acknowledge that they understand how temporary QUEST cards work and who can legally request and use them.

Once received, the worker will review the form, ask additional questions, and research the case further before determining whether a temporary QUEST card can be issued. Many factors are considered when determining if a person is eligible to receive a temporary QUEST card, such as:

- Their current benefit balance.
- When benefits will next be issued to them.
- How many temporary QUEST cards their case has received in the past 12 months.

- When a new permanent card is expected to arrive in the mail.

The requesting person will also be required to verify their identity at the time they are requesting the card, even if they have already verified their identity in CWW. This means the person will need to either confirm personally identifiable information (such as their Social Security Number, date of birth, or address) or provide an ID document linking them to the FoodShare case (see SECTION 1.2.6.1 REQUIRED VERIFICATION TO DETERMINE ELIGIBILITY for a list of acceptable forms of identification).

All the information will be reviewed as part of the completion of the Temporary QUEST Card Issuance Worker Checklist (F-02260~~The EBT Guide was made obsolete in October 2007. See Process Help, for information about EBT.~~). This is a required checklist that the worker(s) must complete and scan into the Electronic Case File when someone requests a temporary QUEST card, regardless of whether the request is approved or denied.

### **7.2.1.2.3 Separation of Duties**

Eligibility for a temporary card must not be determined by the same worker who most recently approved the household for FoodShare benefits. Also, a temporary card must not be provided by the same worker who most recently approved the household for FoodShare benefits.

### **7.2.1.2.4 Allowable Requestors**

In addition to the primary person on a FoodShare case, other individuals with a relationship to the case may request a temporary QUEST card, including but not limited to:

- Other adult food unit members
- Authorized buyers
- Alternate payees
- Authorized representatives

Note To receive a temporary card, the requestor must be listed in CWW as either an adult food unit member or a representative of the case.

### **7.2.1.2.5 Assistance with Activating the Temporary QUEST Card**

When a person is determined eligible for and issued a temporary card, the agency must help them activate and add a PIN to the card. The temporary card is not ready-to-use until it has been activated and given a PIN. When a temporary card is issued, a new permanent QUEST card will be automatically sent to the household. This permanent card will be mailed via USPS to the cardholder's mailing address on file.

Example 3	<u>Jonnie is Amanda's authorized representative. Jonnie requests and receives a temporary card on behalf of Amanda. The permanent card will be mailed to Amanda, not Jonnie.</u>
--------------	--

### **7.2.1.2.6 Temporary QUEST Card Limit**

Agencies can provide a maximum of one temporary QUEST card per case per 12-month period. There are limited exceptions to this rule, which include:

- Expedited cases – Temporary cards provided when a case has recently been approved for expedited service do not count toward the temporary card limit.
- Extenuating circumstances – When a case has already reached the limit for allotted temporary cards in the past 12 months, the agency can provide an additional temporary card if all other temporary card eligibility criteria are met and if it is determined that there are extenuating circumstances present.

Example 4	<u>Hannah, her husband, and three children are receiving FoodShare. One night, Hannah and her three children fled their home and went to a domestic abuse center. Hannah was unable to take their QUEST card when she left, but she needs to buy food for herself and her children. Hannah has an extenuating circumstance and would be eligible for a temporary EBT card.</u>
--------------	--

### **7.2.1.2.7 Replacement Card Monitoring Requirement**

DHS is required to monitor the total number of replacement QUEST cards each household is issued in a 12-month period. If four or more replacement QUEST cards are issued to a household in a 12-month period, the Office of the Inspector General may review their case for possible misuse of benefits.

After a person has been issued a temporary QUEST card, the permanent replacement card that is automatically mailed gets counted toward the four replacement card threshold. Each time a replacement card is issued (whether it is issued to the primary person on the case or another authorized cardholder), it is counted towards the four-card threshold.

The temporary QUEST card itself does not count toward the four replacement card threshold.

Example 5	<u>The primary person on a FoodShare case is issued a temporary QUEST card on May 12. They receive a new permanent card in the mail on May 18. This permanent replacement card is counted as card one toward the four-card threshold. Then, on August 20, the authorized buyer on the same case requests a replacement QUEST card. They receive their new card in the mail on August 28. This permanent replacement card is counted as card two toward the four-card threshold.</u>
--------------	---

## 7.3.1 Calculating Overpayment Claim Amounts

### 7.3.1.1 Overpayment Claims Against Food Units

An overpayment, also known as an overissuance, occurs when an assistance group receives benefits they were not entitled to. An overpayment claim is the established amount that the member(s) must repay. With exceptions, a claim should be established against the adult members of any food unit that has received an overpayment.

#### Types of Overpayments

There are three types of overpayment claims: client error, non-client error, and Intentional Program Violation (IPV). A non-client error is sometimes referred to as an agency error.

Client Error	Non-Client Error	IPV
<p>A client error occurs when the food unit <b>unintentionally</b>:</p> <ul style="list-style-type: none"> <li>Failed to provide correct or complete information,</li> <li>Failed to report a <del>change that was required</del> <u>change in the change reporting timeframe (see SECTION 6.1.1 CHANGE REPORTING FOR ALL FOOD UNITS (SIMPLIFIED) to be reported,</u> or</li> <li>Received FoodShare for which it was not entitled pending a fair hearing decision</li> </ul>	<p>A non-client error occurs when the state or local agency:</p> <ul style="list-style-type: none"> <li>Takes an incorrect action on a FoodShare case,</li> <li>Does not take prompt action on a change the food unit reported,</li> <li>Fails to correct an action,</li> <li>Incorrectly enters information or fails to include information that results in expedited eligibility,</li> <li>Misapplies policy, or</li> <li>System programming errors, such as failure to include a W-2 payment or SSI benefit increase.</li> </ul>	<p>An applicant or member commits an IPV when they <b>intentionally</b>:</p> <ul style="list-style-type: none"> <li>Make a false or misleading statement or misrepresent, conceal, or withhold facts, including but not limited to their identity, whom they are living with, or which state they live in, to become eligible or to remain eligible for benefits; or</li> <li>Commit any act that constitutes a violation of the Food and Nutrition Act of 2008, the Supplemental Nutrition Assistance Program (SNAP) Regulations, or any Wisconsin statute for the purpose of using,</li> </ul>

		presenting, transferring, acquiring, receiving, possessing, or trafficking of FoodShare benefits or QUEST cards.
--	--	--

A FoodShare assistance group cannot receive commodities from a Tribal Food Distribution program (see SECTION 3.11.1 FOOD DISTRIBUTION PROGRAM (TRIBAL COMMODITIES)) and FoodShare at the same time. Make a claim against any group that receives FoodShare in the same month it also participates in a Tribal Food Distribution Program. If the group receives:

1. FoodShare and then receives Food Distribution Program commodities in the same month, the Food Distribution agency must process the claim.
2. Food Distribution Program commodities and then receives FoodShare in the same month, the FoodShare agency must process the claim.

### **7.3.1.3 When to Establish an Overpayment Claim**

7 CFR 273.18(g)(3)

Not every instance of overpaid FoodShare benefits will result in an overpayment claim.

Do not establish a claim if:

- The agency did not ensure that a food unit signed the application form or the signature received was not from a responsible adult household member (or someone authorized to act on their behalf).
- The overpaid month(s) occurred after a renewal or SMRF was due and appropriate notice of a renewal or SMRF requirement was not sent due to an incorrect certification period in CARES Worker Web.
- Incorrect expedited benefits were issued resulting from a non-client error.
- Benefits are issued solely because the 10-day negative notice requirement cannot be or has not been met.
- The overpayment occurred because of incorrect Social Security, SSI, or Wisconsin Unemployment, data exchange payment information. These are trusted third-party data sources and cannot be recovered.
- The overpayment occurred because of incorrect SAVE, Wisconsin Vital Records, or other non-financial data sources that are considered verified on receipt. These are trusted third-party data sources and cannot be recovered.
- The claim is a client or non-client error, and the total overpayment claim is less than \$500. A claim that is less than \$500 should only be established in the following circumstances:

- FoodShare overpayments discovered through a State Quality Control (QC) review. Federal regulations require that corrective action must be taken to establish a claim for any error discovered through a QC review, regardless of the size of the error. Overpayments as a result of QC are not subject to claim thresholds, regardless of the type of error. Failure to take timely corrective action may result in liquidated damages against the agency in the amount of \$250 or more
- FoodShare overpayments related to a member receiving duplicate benefits
- FoodShare IPV claims

Example 7	Mary called the IM agency and requested to apply for FoodShare over the phone. Mary completed the FoodShare interview with the IM worker, but the call was disconnected prior to completing a telephonic signature. The IM worker inadvertently updates the case to reflect a signature was collected and confirms Mary open for FoodShare benefits without a signed application at \$281 per month. Four months later, the IM agency discovers the error. An overpayment claim is not established because Mary did not sign the FoodShare application.
Example 8	Lex applied for FoodShare and reported no income. Lex was confirmed eligible for benefits at \$281 per month. At SMRF, the IM worker discovers that Lex was actually working at application and inadvertently failed to report income. Had Lex reported appropriately, Lex would have received \$251 per month in FoodShare. Lex received \$30 more than entitled to receive for a total of six months, or \$180. Since the total amount overpaid was less than \$ <del>180</del> 500, no overpayment claim is established.
Example 9	Misha receives FoodShare benefits. Misha's case was randomly selected for a QC review in June. The QC reviewer determines that Misha was overpaid \$150 in FoodShare benefits. Although the total claim amount is under \$500, the error was found during a QC review and therefore a claim is established.

## 8.1.1 Income Limits

### 8.1.1.1 Monthly Income Limits

Effective October 1, ~~2022~~2023, through September 30, ~~2023~~2024.

	Categorical Eligibility Income Limit	Elderly & Disabled <del>Seeking</del> Separate <del>Food Unit Status</del> Assistance Group	Income Change Reporting Threshold and Gross Income Limit for Non-Categorically Eligible <del>Food</del> Assistance Groups	Net Income Limit	Monthly Maximum FoodShare Allotment*
FoodShare Assistance Group Size	Gross Monthly Income Limit (200% FPL)	Gross Monthly Income Limit (165% FPL)	Gross Monthly Income Limit (130 % FPL)	Gross Monthly Income Limit (100% FPL)	
1	\$2,266,430	\$1,869,200 <sub>5</sub>	\$1,473,580	\$1,133,215	\$281,291
2	\$3,052,288	\$2,518,712	\$1,984,213 <sub>7</sub>	\$1,526,644	\$516,535
3	\$3,840,414 <sub>4</sub>	\$3,167,419	\$2,495,694	\$1,920,207 <sub>2</sub>	\$740,766
4	\$4,626,500 <sub>0</sub>	\$3,816,412 <sub>5</sub>	\$3,007,250	\$2,313,500	\$939,973
5	\$5,412,858	\$4,465,832	\$3,518,807	\$2,706,929	\$1,116,155
6	\$6,200,714	\$5,114,539	\$4,029,364	\$3,100,357	\$1,339,386
7	\$6,986,757 <sub>0</sub>	\$5,763,624 <sub>6</sub>	\$4,541,921	\$3,493,785	\$1,480,532
8	\$7,772,842 <sub>8</sub>	\$6,412,952	\$5,052,478	\$3,886,421 <sub>4</sub>	\$1,691,751



9	\$ <del>8,560</del> <u>9,286</u>	\$ <del>7,061</del> <u>659</u>	\$ <del>5,564</del> <u>6,035</u>	\$ <del>4,280</del> <u>643</u>	\$ <del>1,902</del> <u>970</u>
10	\$ <del>9,348</del> <u>10,144</u>	\$ <del>7,710</del> <u>8,366</u>	\$ <del>6,076</del> <u>592</u>	\$ <del>4,674</del> <u>5,072</u>	\$ <del>2,113</del> <u>189</u>
Each additional member	<del>+\$788</del> <u>\$858</u>	<del>+\$649</del> <u>\$707</u>	<del>+\$512</del> <u>\$557</u>	<del>+\$394</del> <u>\$429</u>	<del>+\$211</del> <u>\$219</u>

Note The minimum allotment for one- and two-person assistance groups is \$23.

## 8.1.1.2 Regular SNAP Program Monthly Income Limits

Effective October 1, ~~2022~~2023 through September 30, 2024.

	EBD	Regular SNAP	
	Non-Categorically Eligible	IPV <del>and</del> <u>Drug Felony, Substantial Lottery or Gambling Winning</u>	
FoodShare <u>Assistance</u> <u>Group Size</u>	Net Monthly Income Limit (100% FPL)	Gross Monthly Income Limit (130 % FPL)	Net Monthly Income Limit (100% FPL)
1	\$ <del>1,133</del> <u>215</u>	\$ <del>1,473</del> <u>580</u>	\$ <del>1,133</del> <u>215</u>
2	\$ <del>1,526</del> <u>644</u>	\$ <del>1,984</del> <u>2,137</u>	\$ <del>1,526</del> <u>644</u>
3	\$ <del>1,920</del> <u>2,072</u>	\$ <del>2,495</del> <u>694</u>	\$ <del>1,920</del> <u>2,072</u>
4	\$ <del>2,313</del> <u>500</u>	\$ <del>3,007</del> <u>250</u>	\$ <del>2,313</del> <u>500</u>
5	\$ <del>2,706</del> <u>929</u>	\$ <del>3,518</del> <u>807</u>	\$ <del>2,706</del> <u>929</u>
6	\$ <del>3,100</del> <u>357</u>	\$ <del>4,029</del> <u>364</u>	\$ <del>3,100</del> <u>357</u>
7	\$ <del>3,493</del> <u>785</u>	\$ <del>4,541</del> <u>921</u>	\$ <del>3,493</del> <u>785</u>
8	\$ <del>3,886</del> <u>4,214</u>	\$ <del>5,052</del> <u>478</u>	\$ <del>3,886</del> <u>4,214</u>

9	\$4,280 <u>643</u>	\$5,564 <u>6,035</u>	\$4,280 <u>643</u>
10	\$4,674 <u>5,072</u>	\$6,076 <u>592</u>	\$4,674 <u>5,072</u>
Each additional member	+\$394 <u>\$429</u>	+\$512 <u>\$557</u>	+\$394 <u>\$429</u>

### 8.1.1.3 Asset Limits

Effective October 1, ~~2022~~2023, through September 30, 2024.

<u>Regular SNAP Rules</u> Food Unit Type	Asset Limit
Elderly, Blind, or Disabled (EBD) <del>Food Units are those where all food unit members are elderly, blind, or disabled</del> and EBD over 200% FPL	\$4,250
<del>Regular FoodShare (SNAP) Household (Non-EBD)</del>	\$2,750

Effective November 1, 2023, through September 30, 2024.

	<u>Asset Limit</u>
<u>Substantial Lottery or Gambling Winning</u>	<u>\$4,250</u>

## 8.1.2 Allotment for Monthly Net Income and FoodShare Assistance Group Size

### Current Allotment Table

- [1-10 persons](#)
- [11-20 persons](#)

Allotment by monthly net income effective October 1, ~~2022~~2023, through September 30, ~~2023~~2024.

### Prior Years' Allotment Tables

Allotment by monthly net income and FoodShare group size effective dates:

Start Date	End Date
October 1, <del>2021</del> <u>2022</u> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	September 30, <del>2022</del> <u>2023</u>
<del>January 1,</del> <u>October 1,</u> 2021 <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	September 30, <del>2021*</del> <u>2022</u>
<del>October</del> <u>January 1,</u> <del>2020</del> <u>2021</u> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	<del>December 31, 2020</del> <u>September 30, 2021*</u>
October 1, <del>2019</del> <u>2020</u> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	<del>September 30</del> <u>December 31,</u> 2020
October 1, <del>2018</del> <u>2019</u> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	September 30, <del>2019</del> <u>2020</u>
October 1, <del>2017</del> <u>2018</u> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	September 30, <del>2018</del> <u>2019</u>
<u>October 1, 2017</u>	<u>September 30, 2018</u>

<ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	
<p>October 1, 2016</p> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	September 30, 2017
<p>October 1, 2014</p> <ul style="list-style-type: none"> <li>• <a href="#">1-10 persons</a></li> <li>• <a href="#">11-20 persons</a></li> </ul>	September 30, 2016
<a href="#">November 1, 2013</a>	September 30, 2014
<a href="#">October 1, 2013</a>	October 31, 2013
<a href="#">October 1, 2012</a>	September 30, 2013
<a href="#">October 1, 2011</a>	September 30, 2012
<a href="#">October 1, 2009</a>	September 30, 2011
<a href="#">April 1, 2009</a>	September 30, 2009
<a href="#">October 1, 2008</a>	March 31, 2009
<a href="#">October 1, 2007</a>	September 30, 2008

\*The January 1, 2021, tables were initially applicable only through June 30, 2021, but were extended through September 30, 2021.

## 8.1.3 Deductions

Effective October 1, ~~2022~~2023.

Deduction Type	Amount
<b>Standard</b>	
For groups with 1-3 people	\$ <del>193</del> <u>198</u>
For groups with 4 people	\$ <del>193</del> <u>198</u>
For groups with 5 people	\$ <del>225</del> <u>244</u>
For groups with 6 or more people	\$ <del>258</del> <u>279</u>
Dependent Care	Use the out-of-pocket amount the food unit is obligated to pay. This is the amount not paid by a third party.
<b>Utility Allowances</b>	
HSUA (Heating Standard Utility Allowance)	\$ <del>471</del> <u>502</u>
LUA (Limited Utility Allowance)	\$ <del>322</del> <u>347</u>
EUA (Electric Utility Allowance)	\$ <del>140</del> <u>144</u>
WUA (Water and Sewer Utility Allowance)	\$ <del>96</del> <u>99</u>
FUA (Cooking Fuel Allowance)	\$ <del>38</del> <u>42</u>
PUA (Phone Utility Allowance)	\$ <del>29</del> <u>30</u>
TUA (Garbage and Trash Utility Allowance)	\$ <del>25</del> <u>26</u>
Shelter Maximum Deduction (non-EBD households)	\$ <del>624</del> <u>672</u>
Homeless shelter deduction	\$ <del>167</del> <u>180</u>
Medical Allowance	Expenses over \$35