

**STATE OF RHODE ISLAND
DEPARTMENT OF HUMAN SERVICES**

PUBLIC NOTICE OF PROPOSED RULE-MAKING

In accordance Rhode Island General Laws (RIGL) 42-35, notice is hereby given that the Department of Human Services proposes to amend the following DHS rules:

**SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP)
SECTION 1038: SNAP PROGRAM STANDARDS**

Effective October 1, 2012, this rule will be amended to reflect the following:

- The Standard Utility Allowance (SUA) has decreased from \$590.00 to \$580.00 due to a reduction in the cost of fuel and utilities as calculated by the annual Consumer Price Index (CPI)
- The gross and net income eligibility standards have been increased as a result of the annual cost of living adjustment
- The maximum Excess Shelter Deduction has increased from \$459.00 to \$469.00.
- The maximum Standard Deduction for household sizes 1 through 3 has increased from \$147.00 to 149.00 per month.

In the development of these rules, consideration was given to the following: (1) alternative approaches; and (2) overlap or duplication with other statutory and regulatory provisions. No alternative approach or duplication or overlap was identified based upon available information.

This proposed rule is accessible on the R.I. Secretary of State website (<http://www.sec.state.ri.us/ProposedRules/>) and the DHS website (www.dhs.ri.gov) or available in hard copy upon request (401 462-2018 or RI Relay, dial 711). Interested persons should submit data, views or written comments by Thursday, September 6, 2012 to Kimberly Merolla-Brito, Office of Policy Development, Department of Human Services, Louis Pasteur Building, Bldg. 57, Howard Avenue, Cranston, RI 02920.

In Accordance with RIGL 42-35-3, an oral hearing will be granted if requested by twenty-five (25) persons, by an agency or by an association having at least twenty-five (25) members. A request for an oral hearing must be made within thirty (30) days of this notice.

The Department of Human Services does not discriminate against individuals based on race, color, national origin, sex, gender identity or expression, sexual orientation, religious belief, political belief or handicap in acceptance for or provision of services or employment in its programs or activities.

1038 SNAP PROGRAM STANDARDS

1038.05 STANDARD DEDUCTION

REV: ~~10/2011~~ 10/2012

Each household is allowed a standard deduction as outlined below:

Household Size	Standard Deduction Amount
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1	\$ <u>147149</u>
2	\$ <u>147149</u>
3	\$ <u>147149</u>
4	\$ <u>155160</u>
5	\$ <u>181187</u>
6+	\$ <u>208214</u>

The amounts above are provided annually by Food and Nutrition Services (FNS) and equal 8.31 percent of the Federal poverty level but not more than 8.31 percent of the Federal Poverty Level (FPL) for a household of six (6).

In any case, the standard deduction for a household shall not be less than one hundred forty-~~seven~~-nine dollars (~~\$147149~~).

1038.07 EARNED INCOME DEDUCTION

REV:01/1997

A household with earned income shall be allowed a deduction of twenty percent (20%) of all earned income to compensate for taxes, other mandatory deductions from salary, and work expenses.

Please note that the term "earned income" does not include any portion of the income earned under a work supplementation or support program that is attributable to public assistance. For the definition of earned income, see Section 1008.15.05.

Exception: the deduction described above shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner.

1038.10 MAXIMUM DEPENDENT CARE DEDUCTION

REV:10/2008

THIS SECTION IS LEFT BLANK FOR FUTURE USE

1038.15 MAXIMUM EXCESS SHELTER DEDUCTION

REV:~~10/2011~~10/2012

The maximum excess shelter deduction is four hundred and ~~fifty~~sixty-nine dollars (~~\$459.00~~469.00) per household per month for households incurring shelter costs.

1038.17 HOMELESS HOUSEHOLD SHELTER ESTIMATE

REV:10/1995

The standard homeless household shelter estimate defined in Section 1008.20.25 is \$143 per household per month.

1038.19 CHILD SUPPORT DEDUCTION

REV:09/2000

Child support payments paid by a household member to or for a nonhousehold member are an allowable deduction as long as the household member has a legal obligation to pay child support and the actual child support payments are verified. See Section 1008.20.22.

1038.20 UTILITY EXPENSES

REV:10/2005

There are three methods of calculating utility expenses for households:

- * The standard utility allowance which is used only when the household is billed for heating and/or cooling costs on a regular basis or has received or expects to receive a LIHEAA payment at its current address;
- * The actual utility expenses, not including heating and/or cooling costs, which the household incurs and pays for separately. These utility amounts are then added to the rent or mortgage payments (including property taxes, insurance and local assessment) to obtain the total shelter expense; and,
- * The standard telephone allowance of \$22.50, which is used for a household that incurs the expense of a basic service charge for one telephone and is not eligible to use the standard utility allowance.

1038.20.05 Standard Utility Allowance

REV: ~~03/2012~~10/2012

~~The RI Department of Human Services received approval by the Food and Nutrition Service (FNS) to increase the standard utility allowance, effective October 1, 2011. The increased SUA is five hundred ninety eighty dollars (\$~~590~~580.00) per household per month based on an annualized (twelve-month) average of utility costs.~~

The standard utility allowance includes the cost of heating and/or cooling, cooking fuel, electricity, or gas not used to heat or cool the residence, the basic service fee for one telephone, water, sewerage and garbage and trash collection, refer to Section 1008.20.25.05. ~~All SNAP recipients will have their eligibility re-evaluated from October 1, 2011 forward, based on the increased amount of the SUA.~~

1038.20.10 Actual Utility Expenses

REV:10/2005

A household not qualified for the standard utility allowance may claim any actual utility expenses that it pays separately.

Use of the actual utility expenses is authorized by entering the actual utility amounts in the INRHODES' "Utility Expense Panel".

1038.25 GROSS AND NET INCOME ELIGIBILITY STANDARDS

REV: ~~10/2011~~10/2012

The gross or net income eligibility standards for the household size are used to determine the household's eligibility according to the characteristics of the household.

1. To determine eligibility for non categorically eligible households the following steps are taken:
 - a. Compare the total gross monthly income of the household to the one hundred thirty percent (130%) maximum gross monthly income limit for the appropriate household size in Table I, below;
 - b. Compare the total net monthly income of the household (after appropriate deductions) to the maximum net monthly income limit for the appropriate household size in Table II, below.
2. To determine eligibility for categorical eligibility due to receipt of a TANF-funded service:
 - a. If the household's gross income is at or below one hundred and eighty five percent (185%) of the gross income limit, Table IV, the household meets the criteria for categorical eligibility and is not subject to a resource test.
 - b. The agency calculates the household's total net monthly income and then compares the total net monthly income of the household (after appropriate deductions) to the maximum net monthly income limit for the appropriate household size in Table II below to determine eligibility for SNAP benefits.
 - c. If the household's net income is at or below the net income limit, the household receives a benefit as long as the normal household size reduced by thirty percent (30%) of the household's net income in Table II results in a positive benefit amount.
3. Households that do not meet the net eligibility standard and would not receive a benefit are denied. EXCEPTION: One and two person categorically eligible households do not have to meet the net income standard in order to be eligible for the minimum monthly benefit.
4. To determine eligibility for households containing a member(s) who is elderly or disabled, or a disabled veteran or surviving disabled spouse/child(ren) of a veteran, the following steps are taken:
 - a. Same household status
 - i. Compare the adjusted net monthly SNAP income of the household, computed in accordance with the instructions in Section 1010, to the maximum net monthly income limits for the appropriate household size in Table II, below.

- b. Separate household status
 - i. Compare the gross monthly income of all other members in the household to the one hundred sixty-five percent (165%) maximum gross monthly income limit for the appropriate household size in Table III, below.
- c. An elderly or disabled person/spouse is not considered a household member for this purpose, includes disabled veterans or surviving disabled spouse/child(ren) of a veteran, refer to Section (1010.30.05).
- d. Elderly/disabled categorical eligibility due to receipt of a TANF-funded service
 - i. Compare the total gross monthly income of the household to the two hundred percent (200%) gross monthly income limit for the appropriate household size in Table V, below.
 - ii. If the household's gross income is over two hundred percent (200%) of the gross income limit, Table V, the household does not meet the criteria for categorical eligibility and is subject to a resource test.
 - iii. The agency then compares the total net monthly income of the household (after appropriate deductions) to the maximum net monthly income limit for the appropriate household size in Table II below to determine eligibility for SNAP benefits.
 - iv. If the household's gross income is at or below two hundred percent of the gross income limit, Table V, the household meets the criteria for categorical eligibility and is not subject to a resource test.
 - v. The agency then compares the total net monthly income of the household (after appropriate deductions) to the maximum net monthly income limit for the appropriate household size in Table II below in order to determine eligibility for SNAP benefits.
- 4. EXCEPTION: One and two person categorically eligible households do not have to meet the net income standard in order to be eligible for the minimum monthly benefit.

TABLE I - 130% LIMIT - GROSS MONTHLY INCOME LIMIT

HOUSEHOLD MONTHLY INCOME	MAXIMUM GROSS SIZE	HOUSEHOLD MONTHLY INCOME	MAXIMUM GROSS SIZE
1.	<u>\$1,1801,211</u>	9.	<u>\$4,4914,643</u>
2.	<u>\$1,5941,640</u>	10.	<u>\$4,9055,072</u>
3.	<u>\$2,0082,069</u>	11.	<u>\$5,3195,501</u>
4.	<u>\$2,4222,498</u>	12.	<u>\$5,7335,930</u>
5.	<u>\$2,8362,927</u>	13.	<u>\$6,1476,359</u>
6.	<u>\$3,2493,356</u>	14.	<u>\$6,5616,788</u>
7.	<u>\$3,6633,785</u>	15.	<u>\$6,9757,217</u>
8.	<u>\$4,0774,214</u>	16.	<u>\$7,3897,646</u>
+ For each additional member over 16, add \$ <u>414429</u> .00.			

TABLE II - 100% INCOME LIMIT - NET MONTHLY INCOME LIMIT

HOUSEHOLD MONTHLY INCOME	MAXIMUM NET SIZE	HOUSEHOLD MONTHLY INCOME	MAXIMUM NET SIZE
1.	\$ <u>908,931.00</u>	9.	\$ <u>3,455,571</u>
2.	\$ <u>1,226,261</u>	10.	\$ <u>3,774,901</u>
3.	\$ <u>1,545,591</u>	11.	\$ <u>4,093,231</u>
4.	\$ <u>1,863,921</u>	12.	\$ <u>4,412,561</u>
5.	\$ <u>2,181,251</u>	13.	\$ <u>4,731,891</u>
6.	\$ <u>2,500,581</u>	14.	\$ <u>5,050,221</u>
7.	\$ <u>2,818,911</u>	15.	\$ <u>5,369,551</u>
8.	\$ <u>3,136,241</u>	16.	\$ <u>5,688,881</u>

+ For each additional member over 16, add \$319,330.00.

TABLE III - 165% INCOME LIMIT- ELDERLY/DISABLED SEPARATE HOUSEHOLD

GROSS SIZE	MONTHLY MAXIMUM HOUSEHOLD INCOME	GROSS SIZE	MONTHLY MAXIMUM HOUSEHOLD INCOME
1.	\$ <u>1,498,536</u>	9.	\$ <u>5,701,893</u>
2.	\$ <u>2,023,081</u>	10.	\$ <u>6,227,438</u>
3.	\$ <u>2,548,625</u>	11.	\$ <u>6,753,983</u>
4.	\$ <u>3,074,170</u>	12.	\$ <u>7,279,528</u>
5.	\$ <u>3,599,714</u>	13.	\$ <u>7,805,073</u>
6.	\$ <u>4,124,259</u>	14.	\$ <u>8,331,618</u>
7.	\$ <u>4,649,803</u>	15.	\$ <u>8,857,163</u>
8.	\$ <u>5,175,348</u>	16.	\$ <u>9,383,708</u>

+ For each additional member over 16, add \$526,545.00.

TABLE IV- 185% GROSS MONTHLY INCOME LIMIT

HOUSEHOLD MONTHLY INCOME	MAXIMUM GROSS SIZE	HOUSEHOLD MONTHLY INCOME	MAXIMUM GROSS SIZE
1.	\$ <u>1,680,722</u>	9.	\$ <u>6,392,606</u>
2.	\$ <u>2,268,333</u>	10.	\$ <u>6,982,217</u>
3.	\$ <u>2,858,943</u>	11.	\$ <u>7,572,827</u>
4.	\$ <u>3,447,554</u>	12.	\$ <u>8,162,438</u>
5.	\$ <u>4,035,164</u>	13.	\$ <u>8,752,048</u>
6.	\$ <u>4,625,775</u>	14.	\$ <u>9,342,659</u>
7.	\$ <u>5,213,385</u>	15.	\$ <u>9,932,269</u>
8.	\$ <u>5,802,996</u>	16.	\$ <u>10,522,880</u>

+ For each additional member over 16, add \$590,611.00.

TABLE V- 200% GROSS MONTHLY INCOME LIMIT

HOUSEHOLD MONTHLY INCOME	MAXIMUM GROSS SIZE	HOUSEHOLD MONTHLY INCOME	MAXIMUM GROSS SIZE
1.	\$ <u>1,816,862</u>	9.	\$ <u>6,910,712</u>
2.	\$ <u>2,452,522</u>	10.	\$ <u>7,548,802</u>
3.	\$ <u>3,090,182</u>	11.	\$ <u>8,186,892</u>
4.	\$ <u>3,726,842</u>	12.	\$ <u>8,824,982</u>
5.	\$ <u>4,362,502</u>	13.	\$ <u>9,462,972</u>
6.	\$ <u>5,000,162</u>	14.	\$ <u>10,100,062</u>
7.	\$ <u>5,636,822</u>	15.	\$ <u>10,738,152</u>

8 \$~~6,2726,482~~ 16. \$~~11,37611,762~~+
For each additional member over 16, add \$~~638660~~.00.

1038.35 PRORATING ALLOTMENTS FOR THE INITIAL MONTH

REV:10/2005

The amount of SNAP benefits which a household receives monthly is determined by subtracting thirty percent (30%) of the household's net monthly income from the Maximum SNAP Benefit Allotment amount for the appropriate household size, or by using the Basis of Coupon Issuance Tables. Normally, the household receives that full monthly allotment throughout its certification period.

However, during the initial month, the household may only be entitled to a partial allotment. SNAP benefits are reduced in proportion to the number of days from the date of application until the end of the month.

For a household that has not previously participated in the Supplemental Nutrition Assistance Program the first month for which benefits are issued is the initial month.

For a household that has participated in the Supplemental Nutrition Assistance Program, the initial month is the first month for which an allotment is issued following a period during which the household was not certified for participation, provided that the household did not have an application pending.

Whether the household receives the full monthly allotment or a prorated amount, its eligibility and allotment are still determined in the usual way by considering all the income and resources available to the household for the month.

Standard Thirty (30) Day Month

Rhode Island has elected to average months with twenty-eight (28), twenty-nine (29), and thirty-one (31) days and consider that each calendar or fiscal month has a standard thirty (30) days.

1038.35.05 Instructions for Use of the Proration Table

REV:11/1984

To determine allotments for the initial month using the Supplemental Nutrition Assistance Allotment Proration Table, read down the left column to the appropriate full monthly allotment and across to the date of application.

1038.35.10 Instructions for Use of Proration Formula

REV:10/1983

Using the standard 30-day calendar or fiscal month, the initial month benefits can also be prorated by using the following formula, keeping

in mind that the date of application for someone applying on the 31st of the month is the 30th:

$$\text{full month's benefits} \times \frac{(31 \text{ minus date of application})}{30} = \text{prorated allotment}$$

The sequence for calculation of the formula is: first, subtract the date of application from 31; second, multiply the result of the subtraction by the full monthly allotment; third, divide the product of the multiplication by 30; and fourth, round down, if necessary.

1038.35.15 Use of Multiplication Factors

REV:11/1984

If a household's monthly allotment is more than \$900, the highest number shown in the tables, calculate the prorated amount by multiplying the full monthly allotment by the factor (shown below) appropriate to the application date, and round the product down to the nearest whole dollar if the allotment ends in 1 through 99 cents. If the computation results in an allotment of less than \$10, round down to \$0. The multiplication factors are:

DATE OF APPLICATION	MULTIPLICATION FACTOR	DATE OF APPLICATION	MULTIPLICATION FACTOR
1	1.0000	16	.5000
2	.9667	17	.4667
3	.9334	18	.4334
4	.9000	19	.4000
5	.8667	20	.3667
6	.8334	21	.3334
7	.8000	22	.3000
8	.7667	23	.2667
9	.7334	24	.2334
10	.7000	25	.2000
11	.6667	26	.1667
12	.6334	27	.1334
13	.6000	28	.1000
14	.5667	29	.0667
15	.5334	30	.0334
31	.0334		

For example, a household applying on August 20 and certified eligible to receive a monthly allotment of \$925, would receive an initial month's allotment of \$339 ($\$925 \times .3667 = \339.20 , which rounds to \$339).

1038.35.20 Initial Month Rounding and Benefits

REV:10/1983

When using the above formula for determining the prorated allotment, round the product down to the nearest lower whole dollar if it ends in 1 through 99 cents. If the computation results in an allotment of less

than \$10, round it down to \$0 and no issuance is made for the initial month.

1038.40 MAXIMUM SNAP ALLOTMENTS

REV:10/2011

The Maximum SNAP Allotments are based on the Thrifty Food Plan as developed by the U.S. Department of Agriculture and are uniform by household size.

Except for eligible households whose benefits are prorated for the initial month, a household's monthly allotment is equal to the Maximum SNAP Allotment for the household's size reduced by 30% of the household's net monthly income as calculated in Section 1010.25.

After multiplying the net income by thirty percent (30%), the product is rounded up to the next whole dollar prior to subtracting that amount from the Maximum SNAP Allotment.

If the computation results in an allotment of \$1.00, \$3.00 or \$5.00, round up to \$2.00, \$4.00, or \$6.00, respectively.

If the allotment is for a one or two person household and is less than \$16.00, or is a negative number, round up to the minimum monthly allotment of \$16.00.

Use the above formula to determine the benefit allotment if the household size is larger than twenty persons. The benefit level may be determined from the basis of issuance tables that follow.

HOUSEHOLD SIZE	MAX. SNAP ALLOTMENT	HOUSEHOLD SIZE	MAX. SNAP ALLOTMENT	STAMP
1.	\$ 200	9.	\$ 1,352	
2.	367	10.	1,502	
3.	526	11.	1,652	
4.	668	12.	1,802	
5.	793	13.	1,952	
6.	952	14.	2,102	
7.	1,052	15.	2,252	
8.	1,202	16+	2,402+	

+ For each additional member over 16, add \$150.00.

1038.40.05 Adjustments to the Maximum SNAP Allotments

REV:10/2010

Effective October 1, 1996, and each October 1 thereafter, the maximum SNAP allotments must be based on one hundred percent (100%) of the cost of the Thrifty Food Plan for the preceding June, rounded to the nearest lower dollar.