



# FAMILY INDEPENDENCE ADMINISTRATION

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## POLICY BULLETIN #14-10-ELI

*(This Policy Bulletin Replaces PB #06-149-ELI)*

### DETERMINING THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM SHELTER COST

<p><b>Date:</b> January 31, 2014</p>	<p><b>Subtopic(s):</b> SNAP Budgeting</p>
<p> This procedure can now be accessed on the FIAweb.</p>	<p><b>Revisions to the Original Policy Bulletin:</b></p> <p>This policy bulletin is being revised to:</p> <ul style="list-style-type: none"> <li>• remind Workers to obtain information on the dwelling type when the applicant/participant is a secondary tenant; and</li> <li>• inform Workers not to use Shelter Type Code <b>03</b> (own home / includes trailer) for an applicant/participant who rents a room or an apartment from a homeowner.</li> </ul> <p><b>Purpose:</b></p> <p>The purpose of this policy bulletin is to inform staff at Job Centers and Non Cash Assistance (NCA) Supplemental Nutrition Assistance Program (SNAP) Centers of the rules to determine shelter expenses for SNAP households in special living arrangements.</p> <p>All individuals who live, and <u>purchase and prepare</u> food together are considered members of the same SNAP household. The following individuals who reside together <u>must be</u> considered as purchasing and preparing food together, even if they do not do so:</p> <ul style="list-style-type: none"> <li>• a spouse of a member of a household;</li> <li>• parents and their children, 21 years of age or younger, who are living together (includes natural, adopted and stepchildren) regardless of whether the children have a spouse or children of their own; and</li> </ul>

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- children under 18 years of age (except foster children) under the parental control of an adult household member who is not the children's parent or stepparent. A child must be considered to be under parental control if he/she is financially or otherwise dependent on another member of the household.

The SNAP shelter expense of individuals in the same SNAP household is the total amount of shelter expense for all the household members.

Example:

Jane and her two children reside in an apartment with Jane's friend Mary and her child. Jane's family and Mary's family purchase and prepare food together. The total rent for the apartment is \$900 per month. Jane's share of the rent is \$500 per month, while Mary's share rent of the rent is \$400 per month. The combined SNAP household of five individuals will be budgeted for a shelter expense of \$900 per month.

Shared living  
arrangement

Persons residing together who do not purchase and prepare food together can be separate SNAP households if they are not required to be considered as purchasing and preparing food together.

Separate SNAP households that reside together and share household expenses may be considered to be in a shared living arrangement. In a shared living arrangement the amount of shelter expense incurred for housing by each SNAP household is the shelter expense for that SNAP household.

Example:

Steven is the primary tenant of an unfurnished apartment (shelter type code **01**) that costs \$800 per month. Steven's friend Michael resides with him as a secondary tenant and pays \$350 per month in rent to Steven. The two friends purchase and prepare food separately.

If Steven (primary tenant) applies for SNAP benefits, his shelter expense will be \$450 per month, which would be his share of the rent after subtracting Michael's (secondary tenant) \$350 from the \$800 rent for the apartment. Steven would be budgeted with a Level I combined heat/utility/phone Standard Utility Allowance (SUA) for residing in a Home Energy Assistance Program (HEAP) eligible dwelling and incurring a shelter expense.

If Michael (secondary tenant) applies for SNAP benefits as a separate SNAP household, his shelter expense will be \$350 per month and he will be eligible to receive a Level I SUA because he resides in a HEAP eligible dwelling and incurs a shelter expense .

#### Roomers

A roomer is a person who pays a household for lodging but not food. Roomers are eligible for separate household status if they purchase and prepare food separately from the primary tenant/landlord with whom they reside.

See [PB #13-38-OPE](#) for more information on Shelter Type Code 11.

However, an applicant for SNAP benefits should not be considered a roomer (Shelter Type Code 11) unless there is a statement from the primary tenant/homeowner that no portion of the rent paid by the individual counts toward utility costs. Since an individual with Shelter Type Code 11 does not automatically qualify for an SUA Level 1 based solely on incurring a shelter expense, Workers should first consider treating the individual as residing in a shared living arrangement.

If a SNAP applicant/participant rents one or more rooms in his/her house/apartment and receives payments from an individual who is a roomer, the payments are considered self-employment income and are counted as earned income. A deduction for any documented expenses incurred by the applicant/participant to generate the self-employment income is subtracted from the gross income prior to budgeting the net income as self-employment income.

#### Example

John Davis and his two children reside in an apartment and incur a shelter expense of \$1,200 per month. John receives payments from a roomer in the amount of \$500 per month. John verifies that he incurs a \$100 monthly expense to generate the \$500 of payments from the roomer. If John Davis applies for SNAP benefits, his net self-employment income of \$400 per month (\$500 payment from roomer less \$100 in expenses) is budgeted as self-employment income and the full shelter expense of \$1,200 per month is budgeted as his household's shelter expense.

Rent payments made by a secondary tenant to the primary tenant household may be treated either as self-employment income from a roomer or as a shared living arrangement contribution toward shelter expenses. When the applicant/participant is the primary tenant, Workers should explore which designation benefits the primary tenant household the most, and is supported by the circumstances of the arrangement and by information provided.

### Cash Assistance Implications

Cash Assistance (CA) applicants/participants may often share housing with other individuals to reduce the overall cost of housing. In these instances the budget rules depend on whether the applicant/participant is the primary tenant.

#### **Applicant/Participant Is the Primary Tenant**

If a CA applicant/participant resides in a shared living arrangement, the non-legally responsible secondary tenant's share of the rent is subtracted from the applicant/participant's rent, with the remaining portion being the actual shelter expense of the applicant/participant. This is true whether the secondary tenant gives his/her portion of the rent to the primary tenant or directly to the landlord.

#### Example

Donna and her minor child reside in an unfurnished apartment with Donna's friend Sally and her minor child. Donna is the primary tenant of the apartment and has a lease for \$700 per month for rent. Sally is the secondary tenant and gives \$300 per month to Donna for her share of the rent. Donna's family and Sally's family purchase and prepare meals separately.

If Donna (primary tenant) applies for CA and SNAP benefits, her shelter expense will be \$400 per month, representing her share of the rent, after subtracting Sally's (secondary tenant) \$300 from the \$700 rent for the apartment.

If a CA applicant/participant receives income from a secondary tenant who is a roomer, the income in excess of \$15 per month must be budgeted as earned income. If the applicant/participant can document that expenses incurred to provide shelter for the roomer exceeds \$15 per month, then the actual expenses must be deducted, and the remaining net rental income budgeted as earned income for the primary tenant. Additionally, the entire rent of the applicant/participant (unreduced by the roomer's payment) is budgeted as the shelter expense.

The \$15 per month of expenses or actual expenses (if in excess of \$15) must be applied prior to applying the gross income to all eligibility tests and prior to applying all standard income exemptions from gross earnings.

Example

Ms. Jones and her children reside in an apartment and incur shelter expenses of \$800 per month. Ms. Jones receives rent payments from a roomer in the amount of \$300 per month. Ms. Jones verifies that she incurs a \$50 monthly expense to generate the \$300 of payments from the roomer.

If Ms. Jones applies for CA and SNAP benefits, her net monthly income of \$250 (\$300 payment from roomer less \$50 in expenses) is budgeted as self-employment income and the full shelter expense of \$800 per month is budgeted as her household's shelter expense.

**Applicant/Participant Is the Secondary Tenant**

If a CA/SNAP applicant/participant is the secondary tenant, the actual amount of his/her contribution to the household's rent is budgeted as his/her shelter expense. Workers should consider treating the applicant/participant as residing in a shared living arrangement (as opposed to a roomer) to enable him/her to receive the same SUA that the primary tenant would receive if the primary tenant were to apply for or receive SNAP benefits.

Added information

If a CA/SNAP applicant/participant is the secondary tenant, the Worker should inquire about the shelter type of the primary tenant to ensure that household will be budgeted with the correct SUA level. If a non-roomer secondary tenant (shared living arrangement) resides in a HEAP eligible dwelling unit and incurs a shelter expense, the secondary tenant qualifies for a Level 1 SUA.

Added information

**Note:** If an applicant/participant rents a room or an apartment from a homeowner, the applicant/participant should not be budgeted with Shelter Type Code **03** (own home).

**References:**

18 NYCRR 352.31 (a)(3)

18 NYCRR 387.1 (w)(2) and (3)

18 NYCRR 387.10 (b)(1)(ii)

[92-ADM-47](#)

[94-ADM-20](#)

[Supplemental Nutrition Assistance Program Source Book](#),

Section 5, page 52; Section 12, page 296

[Temporary Assistance Source Book, Chapter 18](#), page 342