



FAMILY INDEPENDENCE ADMINISTRATION

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POLICY BULLETIN #09-86-OPE

(This Policy Bulletin Replaces PB #08-100-OPE)

INCREASE IN THE FEDERAL MINIMUM WAGE

Date: July 9, 2009	Subtopic(s): Minimum Wage
<p>  This procedure can now be accessed on the FIAweb. </p> <p>Working Families Food Stamp Initiative (WFFSI)</p> <p>See PB #08-14-OPE for WFFSI information.</p>	<p>The purpose of this policy bulletin is to inform Job Center and Non Cash Assistance Food Stamp (NCA FS) Center staff that the Federal and State minimum wage will increase effective July 24, 2009. The Federal minimum wage will increase from \$6.25 to \$7.25 per hour and the State minimum wage will increase from \$7.15 to \$7.25 per hour.</p> <p>The increased amounts for the Federal and State minimum wage will be updated in the Food Stamp Paperless Office System (FS POS) screening for Working Families Food Stamp Initiative (WFFSI) eligibility.</p> <p>The increase in the minimum wage will affect NCA FS and Cash Assistance (CA) cases as follows:</p> <p>Food Stamp Cases</p> <p>The increase in the Federal minimum wage should be considered when conducting the WFFSI screening.</p> <p>The WFFSI is available to NCA FS households who have:</p> <ul style="list-style-type: none"> • one adult household member who is: <ul style="list-style-type: none"> ▪ working 30 hours per week or more; or ▪ earning an average weekly income equal to or greater than \$217.50, which is 30 times the federal minimum wage; or • two adults each, who are: <ul style="list-style-type: none"> ▪ working 20 hours per week or more; or

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- earning an average weekly income equal to or greater than \$145.00 per week, which is equal to the federal minimum wage times 20

FSET Requirements

The increase in the Federal minimum wage should be considered when determining exemptions as mandated by Food Stamp Employment and Training (FSET) work requirements.

Currently, individuals earning at least \$196.50 per week or greater are exempt from participation in FSET work activities. Effective July 24, 2009, individuals must be earning at least \$217.50 per week (30 hours times \$7.25) in order to be exempt under this criterion.

At the next participant contact or recertification, the Eligibility Specialist (ES) must review the cases of individuals who are exempt from Food Stamp work requirements based on earning weekly wages of at least 30 times the Federal minimum wage, to ensure that the new criterion is met. Individuals who no longer meet the criterion should be screened to determine if they meet any of the other food stamp exemption criteria. If not, these individuals should be recoded as nonexempt work registrants.

Six-Month Reporters

Food Stamp participants subject to the six-month reporting rules are not required to report an increase in earnings due to the increased minimum wage unless this increase puts the household over 130% of the poverty gross income limit. The increase in the earnings due to the increase in minimum wage should be reviewed at the time of the next assessment of employability status, periodic report, or recertification.

Cash Assistance

The increase in the Federal minimum wage should be considered when determining the number of work hours for self-employed applicants/participants and when determining the number of required Work Experience Program (WEP) hours for unengaged participants.

Self-Employed Participants

The hours of work for a self-employed CA applicant or participant is determined based on the individual's net income after subtracting certain allowable business expenses and dividing by the new Federal minimum wage.

Work Experience Program (WEP)

The maximum number of hours that an individual may be assigned to work experience is limited to the participant's combined CA budget deficit and FS allotment, divided by the greater of the Federal or State minimum wage. However, both rates will be the same as of July 24, 2009.

JOS/Workers must review the cases of all individuals engaged in work experience and use the increased minimum wage of \$7.25 to determine the maximum hours that a participant may be assigned to WEP.

Ten Day Reporters

The increase in the minimum wage may have budgetary implications for those CA cases whose earnings increase as a result. CA participants are obligated to report any changes that occur in the household's circumstances in a timely manner (within ten days of the change). If a participant has a change in earned income because of the minimum wage increase and does not report it in a timely manner, an overpayment must be calculated beginning with the actual month in which the significant change occurred.

The \$90 standard work deduction and the earned income disregard are not applied when calculating the amount of overpayment when a TA recipient fails, without good cause, to make a timely report of new or increased earnings.

Effective July 24, 2009

References:

29 USC 206 (a) (1)
18 NYCRR 385.9 (d) (3) (ii)
GIS 09 TA/DC015

Related Item:

PB #08-14-OPE