OFFICE OF POLICY, PROCEDURES, AND TRAINING



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Office of Procedures

## POLICY BULLETIN #16-97-EMP

(This Policy Bulletin Replaces PB #14-03-EMP, PB #13-111-OPE, and CD #15-33)

# INCREASE IN THE NEW YORK STATE MINIMUM WAGE AND ITS EFFECT ON CASH ASSISTANCE AND THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

Date: December 21, 2016	Subtopic(s): Minimum Wage
This procedure can now be accessed on the FIAweb.	The purpose of this policy bulletin is to inform all staff of the increase in the New York State (NYS) minimum wage and its impact on the maximum number of hours that Cash Assistance (CA) and/or Supplemental Nutrition Assistance Program (SNAP) participants may be assigned to certain work activities.
	The increase in the NYS minimum wage will vary by region and for those employed in New York City (NYC); it will also vary by the size of the employer.
	The NYS minimum wage will increase from \$9.00 per hour to:
	<ul> <li>Effective December 31, 2016 -         <ul> <li>\$11.00 per hour (for workers employed in NYC by businesses who have 11 or more employees);</li> <li>\$10.50 per hour (for workers employed in NYC by businesses who have 10 or less employees);</li> <li>\$10.00 per hour (for workers employed in Long Island and Westchester);</li> <li>\$9.70 per hour (for workers employed in Greater New York State);</li> </ul> </li> </ul>
	<ul> <li>Effective December 31, 2017 -         <ul> <li>\$13.00 per hour (for worker's employed in NYC by businesses who have 11 or more employees);</li> <li>\$12.00 per hour (for worker's employed in NYC by businesses who have 10 or less employees);</li> <li>\$11.00 per hour (for workers employed in Long Island and Westchester);</li> <li>\$10.40 per hour (for workers employed in Greater New York State);</li> </ul> </li> </ul>

- Effective December 31, 2018 -
  - \$15.00 per hour (for worker's employed in NYC by businesses who have 11 or more employees);
  - \$13.50 per hour (for worker's employed in NYC by businesses who have 10 or less employees);
  - \$12.00 per hour (for workers employed in Long Island and Westchester);
  - \$11.10 per hour (for workers employed in Greater New York State);
- Effective December 31, 2019 -
  - \$15.00 per hour (for worker's employed in NYC by businesses who have 10 or less employees);
  - \$13.00 per hour (for workers employed in Long Island and Westchester);
  - \$11.80 per hour (for workers employed in Greater New York State)

Long Island and Westchester will reach the \$15.00 hourly minimum wage in 2021.

#### Impact on CA and SNAP work requirements

Since the NYS minimum wage is greater than the federal minimum wage of \$7.25 per hour, the NYS minimum wage will be used in the calculation of the maximum number of hours a participant may be assigned to certain work activities.

As directed by the New York State Office of Temporary and Disability Assistance (OTDA), the minimum wage that applies to workers employed in NYC by employers with 11 or more employees will be used in the calculation.

**Note**: This does not apply to the eligibility requirements to receive Child Care in Lieu of Cash Assistance (CILOCA). CILOCA eligibility will be based on the appropriate minimum wage as determined by the employer size and work location.

The maximum number of monthly hours that an individual may be required to participate in certain work activities is calculated by dividing the sum of the household's monthly CA grant and SNAP grant by the minimum wage. The maximum monthly hours are divided by 4.333 to determine the maximum number of weekly hours. The maximum number of hours is rounded down to the nearest whole number. Management Information Systems (MIS) has adjusted the maximum hour calculation in New York City Work, Accountability, and You (NYCWAY) for certain work activities, to reflect the \$11.00 hourly minimum wage effective December 31, 2016. Manual calculation of maximum allowable hours is only required if NYCWAY is not available.

Individuals who are subject to the Able Bodied Without Dependents (ABAWD) eligibility rules can meet their monthly ABAWD work requirements by participating in certain work activities for the number of hours equal to their monthly SNAP grant divided by the number of adults in the SNAP household and then divided by the higher of the federal or NYS minimum wage. The NYS minimum wage is used in this calculation because it is higher than the federal minimum wage. The resulting monthly hours are rounded down to the nearest whole number. **Note**: For ABAWDs who are also in receipt of CA benefits, only the SNAP grant is used in the ABAWD hours calculation.

MIS has adjusted the calculation performed in the Web Integrated System for Employment (WISE) for NCA SNAP ABAWDs to reflect the \$11.00 hourly minimum wage effective December 31, 2016.

The examples below illustrate the decrease in the number of monthly hours that an ABAWD would need to participate in certain work activities in order to meet the ABAWD work requirements.

### Example 1:

SNAP household of one individual that receives a monthly SNAP grant of \$194.00.

Calculation using the \$9.00 minimum wage:

\$194.00 / \$9.00 (minimum wage) = 21 monthly hours (rounded down)

Calculation using the \$11.00 minimum wage:

\$194.00/\$11.00 (minimum wage) = 17 monthly hours (rounded down)

## Example 2:

SNAP household of two individuals that receive a monthly SNAP grant of \$357.

Calculation using the \$9.00 minimum wage:

\$357/2 individuals /\$9.00 (minimum wage) = 19 monthly hours

Calculation using the \$11.00 minimum wage:

\$357/2 individuals / \$11.00 (minimum wage) = 16 monthly hours

The increase in the NYS minimum wage has no impact on the exemption from SNAP work requirements for receiving weekly earnings of at least 30 times the federal minimum wage because the federal minimum wage is remaining at \$7.25 per hour. The federal minimum wage is used to determine exemptions from SNAP work requirements.

Effective December 31, 2016.

## **References:**

16-INF-14 SSL 336-c (2)(b) 12 NYCRR 141-1.3 18 NYCRR 385.9 (a)(4), (d)(3) 2016-17 NYC TA & SNAP Employment Plan, page 11

## **Related Items:**

PD #16-11-ELIAble-Bodied Adults Without Dependents<br/>(ABAWD)PB #09-86-OPEIncrease in the Federal Minimum Wage