



# FAMILY INDEPENDENCE ADMINISTRATION

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## **POLICY DIRECTIVE #04-02-ELI** (This Policy Directive Replaces PD #03-26-ELI)

### **PUBLIC ASSISTANCE RESOURCE POLICY**

<b>Date:</b> February 13, 2004	<b>Subtopic(s):</b> Resources
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#### **AUDIENCE**

The instructions in this directive are for staff in Job Centers. This policy directive also serves as an addendum to the resource procedure in Chapter 19 of the Temporary Assistance Source Book (TASB). This is informational for all other staff.

#### **REVISIONS TO ORIGINAL DIRECTIVE**

The policy directive has been revised to reflect the following changes:

- Under certain circumstances, lump sum payments can be set aside for public assistance (PA) participants without affecting eligibility.
- There is a new exemption from the PA resource limit for participants who create bank accounts used solely for two-year postsecondary school tuition costs. The maximum exempt amount is \$1,400.
- Certain disaster assistance payments to victims of the September 11, 2001 disaster are permanently exempt as income and resources for determining PA eligibility.

#### **POLICY**

Resources must be used to eliminate or reduce the need for public assistance and conserve public funds through assignment and recovery. Applicants/participants are required to use available resources and to apply for, as well as pursue, potentially available resources.

As a condition of eligibility, applicants for and/or participants of public assistance must not exceed the resource limits. All resources (if any) must be evaluated to determine whether they are countable towards the resource limit or exempt.

HAVE QUESTIONS ABOUT THIS PROCEDURE?  
Call 718-557-1313 then press 2 at the prompt followed by 765 or  
send an e-mail to *FIA Call Center*

Resource Limit PA households with at least one person 60 years of age or older are allowed up to \$3,000 in liquid resources.

All other PA households are allowed up to \$2,000 in liquid resources.

Licensed Vehicles A PA household may own one vehicle with a wholesale value of \$4,650. If the vehicle is used to travel to and from work or to seek or maintain employment activities, the exemption amount is increased to \$9,300. The amount by which the fair market value of the automobile exceeds the appropriate exempt amount is countable toward the appropriate liquid resource limit (\$2,000 or \$3,000).

Real Property A house, condominium, or cooperative that is the applicant/participant's primary residence is excluded from the resource limit. The agency may, however, execute a lien on the property.

The exemption period for real property (not a home or primary residence) is six months. During such time the applicant/participant must make a good faith effort to sell the property and agree to use the proceeds from the sale of the property to repay the agency any assistance s/he received but would not have been entitled to had the property been sold immediately.

PA Two-Year Postsecondary Education Fund Resource Exemption A participant with a bank account created for the sole purpose of paying tuition at a two-year accredited postsecondary educational institution can have up to \$1,400 exempted without any of it counted towards his/her resource level. This account must be separate and distinct from any other account. One account per household member is allowed and the individual does not have to be in school when the account is created.

New information

Lump Sum Payments A lump sum payment is any type of one time only payment, such as lottery winnings or retroactive payments. A portion or all of a lump sum payment to a PA participant may now be set aside when determining eligibility, if the portion when combined with a household's countable resources would not exceed the household's PA resource level.

New information

In addition, any or all of the lump sum may be set aside if it is used by a participant within 90 days of receipt to:

- purchase an automobile that is exempt from the resource limit because it is needed to seek or retain employment or for travel to and from work (maximum \$9,300);
- create a resource-exempt bank account to purchase a first or replacement automobile account for the purpose of purchasing an automobile to seek or retain employment (maximum amount \$4,650);

- purchase a resource exempt burial plot; or
- purchase a resource exempt bona fide funeral agreement (maximum amount \$1,500);
- create an exempt bank account used for the sole purpose of paying tuition for a two-year postsecondary institution. The amount cannot exceed \$1,400.

**Excluded Resources**

New information

The following disaster assistance payments to victims of the September 11, 2001, disaster are permanently exempt as income and resources for the purposes of determining eligibility for PA, Food Stamps (FS) and Medicaid (MA). These payments include:

See [PB #01-66-EMP](#) for information on the treatment of disaster relief assistance.

- Federal assistance provided under Public Law (P.L) 93-288, section 312(d) (Disaster Relief Act of 1974), as amended by P.L. 100-707. This includes assistance paid to residents of the disaster area, and people who live outside the area, even outside New York City, who lost their jobs as a direct result of the disaster. This also includes Disaster Unemployment Assistance (DUA) paid during the period 9/17/2001 through 3/17/2002 through the New York State Department of Labor (NYSDOL) to persons directly affected by the disaster whose unemployment or self-employment has been lost or interrupted as a result of the September 11, 2001, disaster;
- Comparable disaster assistance payments provided by State or local governments, or by disaster assistance organization such as the American Red Cross or Salvation Army; and
- Federal Emergency Management Assistance (FEMA) payments made when there is a disaster or emergency.

Staff should also reference Chapter 19 in the TASB for an additional listing of resources that are excluded when determining eligibility for public assistance.

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**REQUIRED ACTION**

During the application/recertification interview, the Worker must explore the availability of any resource(s) with the applicant/participant. The Worker must identify the resource as either an exempt or nonexempt resource in order to determine eligibility.

Motor Vehicles

Motor Vehicles

When an applicant/participant presents verification that s/he has a motor vehicle:

- Review the vehicle registration to document the make, model, year, registration/plate number, registration expiration date and class of registration. Ownership is documented by the title of the motor vehicle.

Refer to [PD #03-42-OPE](#) for information on accessing the Kelley Blue Book on-line.

- Refer to the Kelley Blue Book on-line for the current wholesale or trade-in (fair market value [FMV]) value of the vehicle. If the FMV is \$4,650 or below, the vehicle is exempt from the resource limit.

General purpose vehicles have a \$4,650 resource limit.

- If the applicant/participant claims that the Kelley Blue Book value does not apply to his/her vehicle, give him/her the opportunity to submit an appraisal from a reliable source.
- If the applicant/participant owns a new vehicle which is not yet listed in the Kelley Blue Book, make collateral contact with a car dealership that sells the same vehicle to request the wholesale value of the vehicle.
- If the vehicle is used for general purposes only and the FMV is more than \$4,650, regardless of any encumbrances (e.g., liens or monies still owed), apply the excess against the household's liquid resource limit.

Example: A family of three (all under 60 years of age) applies for public assistance. At the eligibility interview, the Worker is informed that the family owns a 1998 Ford Taurus which is used for general purposes (not used for work or to seek employment). The Kelley Blue Book indicates that the trade-in value is \$10,000. Under the resource limits guidelines, the first \$4,650 is exempt, leaving \$5,350 to be applied against the \$2,000 cash resource limits. The family is ineligible for public assistance.

Additional Vehicles

Vehicles used for work or to seek employment have a \$9,300 resource limit.

- If the vehicle is used for employment or work activity purposes and the applicant/participant is eligible for or in receipt of assistance, exempt the first \$9,300 and apply any excess against the household's resource limits for public assistance.
- If the household owns more than one vehicle, the equity value (FMV less any encumbrances) of the additional vehicles is counted against the household's liquid resource limit.

## Real Property

Real Property

If an applicant/participant reports that s/he owns real property, review the deed. Verify the name on the deed and the value of the property.

Refer the applicant/participant to the Office of Revenue Investigation (ORI) Real Assets Unit at 250 Church St., 5th Floor, New York, NY, as follows:

- Prepare the Information and Referral Notice (**W-113E**) and include all information on the real property.
- Telephone the ORI Resource Consultant at (212) 274-4707 to schedule an appointment for the applicant/participant only if the property is not the applicant/participant's primary residence.

Give the applicant/participant the original form **W-113E** to take to the interview; file a copy of form **W-113E** in the case record.

- ORI will put a lien on the property within six months dating from the time the resource was reported to the agency.
- ORI will give the applicant/participant a Compliance with Real Property and Assets Unit form as verification of compliance to return to the Worker at the Job Center.
- ORI will send notification to the Job Center when an applicant/participant fails to comply with ORI. An individual in a single-person household or a multiperson household (household size is greater than one), who fails to comply with ORI by refusing to sign or execute a lien, must be sanctioned using code **F84** (Failure to Sign Lien). **Note:** In households with more than one adult, only the adult(s) listed on the deed are sanctioned for noncompliance.

## Two-Year College Fund

Two-Year College Fund Resource Exemption

New information

A separate and distinct bank account of up to \$1,400 that is created only to pay for tuition at a two-year (not a four-year) accredited postsecondary educational institution is now exempt from the PA resource limit, as long as the funds are not used for any other purpose. The participant does not have to be enrolled in an academic program at the time the account is established. Only one account per active PA member in the household is allowed.

Once established, the agency must monitor the account balances at least at recertification, to ensure the funds are used only for the earmarked tuition expense. Proper documentation of these accounts must be obtained directly from the financial institution. If it is determined that the funds were used for purposes other than intended, the amount of the funds in the account at the time of the withdrawal are countable towards the resource limit.

The exemption applies only to PA participants. It does not apply to applicants, including former participants with previously established accounts who subsequently reapply for PA.

**Note:** If a two-year college tuition account is created with lump sum income and the funds are later withdrawn and used inappropriately, the value of the account is not only a countable resource but the prior lump sum ineligibility period is reinstated as appropriate, based on the amount withdrawn. Any resulting overpayment would be calculated retroactive to the effective date of the initial notice.

Liquid Resources

Liquid Resources

Liquid resources include but are not limited to cash on hand, bank accounts, stocks, bonds, and promissory notes. If the countable or nonexempt resources combined (cash, motor vehicle, real property) exceeds the allowable maximum, the entire PA household is ineligible for PA.

Excess resources

If an applicant/participant has resources in excess of the allowable maximum s/he is ineligible for assistance in that calendar month and any month that resources exceed the limit. In instances where an applicant/participant has excess resources deny/close the case using one of the codes listed below.

If an applicant/participant's case is denied/closed due to excess resources, the case remains closed until the excess resource is sold, exhausted or is no longer available to the household. The applicant/participant will be resource eligible again the month following the selling or exhausting of the resource.

Resource-Related Closing/Denial Codes

**PA Closing Codes Reason**

<b>I46</b>	Excess Resources – 60+ Client No Longer in Household
<b>U40</b>	Excess Resources
<b>U41</b>	Transfer of Resources (SNCA/SNNC cases)
<b>U42</b>	Excess Resources/Refused to Sell Property
<b>U43</b>	Excess Resources – End of Six-Month Period
<b>U44</b>	Excess Resources – Deemed Resources of Alien Sponsor (FA/SNFP cases)

Refer to the Worker’s Guide to Codes Manual for details

When a CNS automated notice is prepared for these cases, the “PA/FS Resource Calculation Screen” (**WCNO18**) includes a check-off for the resource limit amounts. Enter “**X**” to the left of the appropriate resource limit for the household – \$2,000 or \$3,000, whichever is applicable.

**PA Denial Codes Reason**

<b>205</b>	Excess resources (includes lump sum payment); Medicaid and food stamps may be continued – separate determinations must be made.
<b>206</b>	Excess resources – SNCA/SNNC (includes lump sum payments); Medicaid is discontinued. Food stamps may be continued – a separate determination must be made.

Lump Sum Policy  
New information

Lump Sum Policy (Set-Aside Rule)

A PA participant can receive a lump sum payment without it affecting his/her eligibility if:

- the amount received exceeds the standard of need for the household size; and
- the household’s resources do not exceed the PA resource limit when the lump sum payment is combined with the household’s countable resources.

**Example A:**

A household size of three with PA needs of \$345.50 semimonthly and \$500 in current resources receives a lump sum payment of \$1,000. The lump sum payment exceeds the \$345.50 standard of need for the household. The \$1,000 lump sum payment plus the \$500 countable resources = \$1,500 and does not exceed the PA resource limit. This means the participant can keep the \$1,000 without it affecting eligibility.

If the lump sum payment, when combined with the household's current countable resources exceeds the PA resource limit the set aside rule is applied to determine how much of the lump sum is budgetable.

Determining the set-aside

The Worker must determine the amount to set aside by subtracting the household's current resources from the PA resource limit (PA resource limit – current countable resources = set-aside amount). Once the set-aside amount is determined, the Worker must subtract the set-aside amount from the total lump sum payment and then budget the difference as a lump sum payment in accordance with current procedure.

### **Example B:**

A household size of three with PA needs of \$345.50 and \$500 in current resources receives a lump sum payment of \$2,100 from lottery winnings. The lump sum payment exceeds the household's standard of need, and if added to the household's current countable resources, the household would become ineligible ( $\$500 + \$2,100 = \$2,600$ ) due to excess resources. In this instance the set-aside rule is applied. The household's PA resource limit is \$2,000. Therefore, the Worker must set aside \$1,500 ( $\$2,000 - \$500 = \$1,500$ ) from the lump sum payment as a noncountable resource. Subtract the set-aside amount from the total lump sum payment to determine how much, if any, of the lump sum payment is budgetable. ( $\$2,100 - \$1,500 = \$600$ ) The remaining amount of the lump sum payment (\$600) can be budgeted against the household's needs (\$345.50) to determine eligibility.

The set-aside rule only applies if the lump sum payment exceeds the standard of need for the household size. Nonexempt lump sum payments that are less than the standard of need are counted as income in the month received.

### **Example C:**

A household of three with a standard of need of \$345.50 receives a lump sum payment of \$100. Since the lump sum payment does not exceed the household's standard of need the lump sum payment is budgeted as unearned income in the month received. If the participant has other income already budgeted, a new budget must be calculated to include this income with the previously budgeted income to determine the household's new budget deficit.



<p>Other resource exemptions allowed for lump sum payments</p>	<p>In addition to the initial resource limit set-aside exemption, any remainder of the lump sum payment or the entire lump sum payment can be further set aside if the participant applies any or all of the lump sum to any of the following within 90 days of receipt:</p>
<p>See the "Motor Vehicles" section of this PD for exempt motor vehicles.</p>	<ul style="list-style-type: none"> <li>• The purchase of an automobile that is exempt from the resource limit because it is needed to seek or retain employment or for travel to and from work (maximum \$9,300).</li> <li>• A resource-exempt bank account that is established to purchase a first or replacement automobile that will be used to seek or retain employment (maximum amount \$4,650).</li> <li>• A college tuition account that is used to pay tuition at a two-year postsecondary educational institution (maximum amount \$1,400).</li> <li>• A resource-exempt burial plot.</li> <li>• A resource-exempt bona fide funeral agreement (maximum amount \$1,500).</li> </ul>
<p>Accounts for general-purpose automobiles are not exempt.</p>	
<p>Repaying Past Assistance</p>	<p>A participant can also turn all or part of the lump sum payment over to the agency to repay past assistance. If the participant chooses to do so, advise him/her to submit a check or money order made payable to the <u>HRA Department of Finance</u>. The payment must be submitted to the Disbursement and Collection (D&amp;C) Unit. D&amp;C will give the participant a copy of the Single Item Cash Collection form (<b>M-158</b>), which indicates the amount submitted. One copy of the <b>M-158</b> is forwarded to the Worker while the original along with the Transmittal/Batch Control Form (<b>M-158e</b>) and the money is forwarded to the Division of Accounts Payable and Reporting, 180 Water St. 9th fl, New York, NY 10038.</p>
<p>New information</p>	
<p>Must be documented</p>	<p>If the participant verifies through documentation that s/he has used that amount of the lump sum in whole or in part for one or more of the exempt resources listed above within 90 days of receipt, the Worker must determine eligibility based on the unused portion of the lump sum payment.</p>

**Example D:**

A Family Assistance household of three with current countable resources of \$500 and PA needs of \$345.50 semimonthly receives a lump sum payment of \$5,000 from bingo. The lump sum payment exceeds the household's standard of need, and if combined with the current countable resources would exceed the PA resource limit (\$2,000). Using the set-aside rule, \$1,500 would be subtracted from the \$5,000 lump sum payment (Resource Limit [\$2,000] minus current resources [\$500] = \$1,500 [set-aside] and \$3,500 would be budgetable. The \$3,500 exceeds the PA resource limit; thus the household would be ineligible for PA for a period of time (in this case, five months) or until the resources have been exhausted, unless the household turns the \$3,500 over to the agency to repay past assistance or uses it within 90 days for one or more of the exceptions listed on page 9.

See Attachment A

The "Requirement to Report a Lump Sum Payment" (Attachment A) must be included in all public assistance application and recertification kits. The attachment must also be given to participants reporting the receipt of a lump sum payment. This attachment explains the new lump sum policy.

Lump Sum-Related Closing Code

Use WMS closing code **E38** (Excess Income – Lump Sum) or **F38** (Excess Income – Lump Sum [No MA Ext.]) to close a PA case that is ineligible because of a lump sum payment.

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**PROGRAM IMPLICATIONS**

Paperless Office System (POS) Implications

The **Resources** window records various types of resources the household member(s) may possess. The Worker must use the scroll bar to view all of the questions. A "Yes" response to any question prompts a **Response to Question** window. Enter the required information and click the **OK** button (to save the response before exiting the question) or the **Cancel** button (to exit the question without saving the response).

Food Stamp Implications

Categorically eligible households are not subject to the Food Stamp resource limits. Categorically eligible households are households in which all members receive or are authorized to receive Family Assistance (FA), Safety Net Assistance (SNA) and/or Social Security Income (SSI) benefits. These households shall be eligible for FS because of their status as FA, SNA and/or SSI recipients. The Food Stamp resource limits must be applied to all other households when determining eligibility for assistance.

For example, a household with three people in receipt of FA and two people (that are employed) are on the case for FS only (for a total of five people) is not categorically eligible for food stamps and would be subject to the Food Stamp resource test.

If a PA case is denied/closed as a result of resources, a separate Food Stamp determination is required and the Food Stamp resource policy must be applied to the NPA Food Stamp case. Nonrecurring lump sum payments are counted as a resource in the month the payment was received. For more detailed information concerning the Food Stamp resource policy refer to section 16 of the Food Stamp Source Book (FSSB).

Medicaid  
Implications

If the PA case is closed/denied as a result of resources, a separate Medicaid determination is required. Staff must follow the instructions in PD #02-33-ELI for processing separate Medicaid determinations.

**LIMITED ENGLISH  
SPEAKING  
ABILITY (LESA)  
IMPLICATIONS**

For Limited English Speaking Ability (LESA) applicants/participants, make sure to obtain appropriate interpreter services in accordance with Policy Directive #02-43-OPE. Supervisors must also ensure the following actions are taken:

- At application/recertification, the applicant/participant submits a completed Language Questionnaire (**W-680FF**) and that his/her language is correctly recorded in WMS.
- Selected forms have been translated and are available on the FIAweb in Arabic, Chinese, Haitian Creole, French, Korean, Russian, Vietnamese and Yiddish (in addition to Spanish). Workers must provide both the appropriate translated form and the English version of a form to applicants/participants whose primary reading language is one of the translated languages.
- For POS centers, when a multilingual form is not available in POS, a manual form is completed. When imaging forms for the case record, make sure to include both the English and the translated version of the form. The **W-680FF** must be included in the imaged case record.

**FAIR HEARING  
IMPLICATIONS**

Avoidance/  
Resolution

Applicants and participants whose cases are denied/closed for excess resources are entitled to request a Fair Hearing.

Remember to give the individual an opportunity for a conference and/or resolution on this issue. Please evaluate each case according to the resource changes listed in this directive.

**Conferences** If an applicant/participant comes to a Job Center and requests a conference, the Job Center Receptionist must alert the Fair Hearing and Conference (FH&C) unit that the individual is to be seen by an FH&C Supervisor I (Sup I)/Associate Job Opportunity Specialist I (AJOS I). If the applicant/participant contacts the Worker directly, the Worker must direct him/her to the Receptionist for a referral to FH&C.

The FH&C Sup I/AJOS I will listen to and evaluate the individual's complaint regarding the denial/closing. After reviewing the case record and discussing the issue with the CMU Group Supervisor/Associate Job Opportunity Specialist I and the Resource Consultant at (212) 274-4707, the FH&C Sup I/AJOS I will make a decision. The FH&C Sup I/AJOS I is responsible for ensuring that further appeal by the applicant/participant through Fair Hearing request is properly controlled and that the appropriate follow-up action is taken in all phases of the Fair Hearing process.

**Evidence Packets** All complete and relevant evidence packets must include verification of the applicant/participant's resources. This includes a copy of the relevant bank statement, bankbook, insurance policy, property deed, or vehicle registration, the decision made by the Resource Consultant and the appropriate WMS printouts.

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**REFERENCES**

03 ADM-10 TA Policy Changes: Lump Sum Set Asides and Resource Two-Year College Fund Exemption  
 00 ADM-5 Changes in the Automobile Exemption Policy for Temporary Assistance (TA)  
 GIS 01 TA/DC040 Exemption of Disaster Relief Payments  
 Social Services Law 131-n  
 18 NYCRR 352.23  
 Temporary Assistance Source Book Chapter 19  
 Food Stamp Source Book Section 16

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**RELATED ITEMS**

PD #03-42-OPE Kelley Blue Book  
 PB #01-66-EMP Services For Individuals Affected By the WTC Disaster

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**ATTACHMENTS**

Forms can now be accessed through Print on Demand at all Job Centers.

**M-158** Single Item Cash Collection  
**M-158e** Transmittal/Batch Control Form  
**W-204X** Resource Limits/Exemptions Desk Guide  
**Attachment A** Requirement to Report a Lump Sum Payment

**THE CITY OF NEW YORK HUMAN RESOURCES ADMINISTRATION**  
**DIVISION OF ACCOUNTS RECEIVABLE AND BILLING**  
 180 WATER STREET, 9TH FLOOR, NEW YORK, N.Y. 10038  
**SINGLE ITEM CASH COLLECTION**  
 (NOTE: THE COLLECTION MUST ACCOMPANY THIS FORM)

**SAMPLE**

PRESS FIRMLY - USE BALLPOINT PEN - PLEASE  
 COMPLETE ALL BLANKS IN THIS SECTION.

TRANS CODE	DOCUMENT NUMBER <b>52341</b>
MANAGEMENT UNIT CODE:	NAME

RECEIPTS TO BE MAILED	
YES	NO
(Circle One)	

FILL IN ALL CASE IDENTIFYING INFORMATION

CASE NAME: LAST	FIRST	CLAIM CATEGORY	CASE NUMBER
CASE ADDRESS: STREET	BOROUGH	STATE	ZIP
			SOC. SEC. NO.

IF PAYER IS NOT THE SAME AS ABOVE CASE, COMPLETE THIS SECTION:

PAYER CODE	PAYER: OLD NEW (Circle One)	PAYER NAME
PAYER ADDRESS		
STREET	CITY	STATE ZIP

COLLECTION INFORMATION:

REFUND RECOVERY (Circle One)	CASH MONEY ORDER (Circle One)	CHECK	ITEM CLASS CODE	ITEM CLASS DESCRIPTION:
APPLICABLE ASSISTANCE DATES (MM/YYYY) TO (MM/YYYY)			REFERENCE NO. (if Applicable)	AMOUNT
FROM		TO		\$

COMMENTS (30 CHARACTERS ONLY)	Circle One CREATE NGC: YES NO
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COLLECTED BY:	_____	DATE	_____
PREPARED BY:	_____		_____
REVIEWED BY:	_____		_____

**THE CITY OF NEW YORK HUMAN RESOURCES ADMINISTRATION**

**DIVISION OF ACCOUNTS RECEIVABLE AND BILLING**  
180 WATER STREET, NEW YORK, N.Y. 10038

**TRANSMITTAL/BATCH CONTROL FORM**

SEND TO MISC. RECEIPTS SECTION

TRANSACTION CODE	
DATE SUBMITTED	
TOTAL DOLLAR AMOUNT	\$

**SAMPLE**

040377			

MANAGEMENT UNIT NAME \_\_\_\_\_

	DOCUMENT NUMBER	DOCUMENT AMOUNT	COMMENTS
1.		\$	
2.		\$	
3.		\$	
4.		\$	
5.		\$	
6.		\$	
7.		\$	
8.		\$	
9.		\$	
10.		\$	
11.		\$	
12.		\$	
13.		\$	
14.		\$	
15.		\$	
<b>TOTAL</b>		\$	

PREPARED BY	_____	SIGNATURE	_____	DATE	_____
REVIEWED BY	_____				
RECEIVED BY (MR)	_____				
MR REVIEW	_____				



## PA and FS Resource Limits/Exemptions Desk Guide

The following rules apply to all applicants and participants. However, for FS purposes, households that are categorically eligible for FS are not subject to the resource limitation requirement.

Resources	Public Assistance (PA)	Food Stamps (FS)
<p><b>Licensed Vehicles</b></p>	<ul style="list-style-type: none"> <li>The household may own one vehicle with a fair market value* of \$4,650.</li> <li>If the vehicle is used to travel to and from employment or to seek or maintain work activities, the exemption amount is increased to \$9,300.</li> <li>The fair market value is determined by using the wholesale value (trade-in value) quoted in the Kelley Blue Book.</li> </ul>	<p>One licensed vehicle per adult household member and one licensed vehicle for each child under age 18 who uses the vehicle for school, work, training, or to look for work is excluded from the resource test.</p> <p><b>Additional Licensed Vehicles are Excluded When:</b></p> <ul style="list-style-type: none"> <li>Used to produce earned income (including situations where the use of one's personally owned vehicle is required for employment such as that of a courier, delivery person, etc.);</li> <li>Annually producing income consistent with its fair market value, even if used only on a seasonal basis;</li> <li>Necessary for long-distance travel, other than daily commuting, when it is essential to the employment of a household member or ineligible alien or disqualified person regardless of purpose of transportation;</li> <li>Used as the household's home;</li> <li>Necessary to transport a physically disabled household member or ineligible alien or disqualified person;</li> <li>Leased by a household member;</li> <li>The title is held by a nonmember AND no member of the household is permitted to access the cash value of the vehicle;</li> <li>A household depends on it to carry fuel for heating or water for home use;</li> <li>The sale of the vehicle will produce a return of \$1,500 or less.</li> </ul> <p><b>NONEXCLUDED:</b> Licensed vehicles that do not meet this criteria must have the full equity value applied to the household's applicable liquid resource limit. Unlicensed vehicles and recreational vehicles must have their full equity value applied to the household's resource limit.</p> <p><b>NOTE:</b> Resources of categorically eligible individuals continue to be exempt from the Food Stamp resource test.</p>
<p><b>Liquid Cash Limits (includes bank accounts, saving bonds, and cash on hand)</b></p>	<ul style="list-style-type: none"> <li>\$3,000 for a household where at least one person is elderly (60 years of age or older).</li> <li>\$2,000 for all other households.</li> </ul>	<ul style="list-style-type: none"> <li>\$3,000 for a household where at least one person is elderly (60 years or older) or <u>disabled</u>.</li> <li>\$2,000 for all other households.</li> </ul>
<p><b>Liquid Cash Exemptions*</b></p>	<ul style="list-style-type: none"> <li>Federal assistance provided under public law (P.L.) 93-288 Section 312(d) (Disaster Relief Act of 1974), as amended by P.L. 100.707.</li> <li>Comparable disaster assistance payments provided by state or local governments, or by disaster organizations, such as the American Red Cross or Salvation Army.</li> <li>Federal Emergency Management Assistance (FEMA) payments made when there is a disaster or emergency.</li> <li>One separate bank account per household member that is created for the sole purpose of paying tuition at a 2-year accredited, postsecondary institution.</li> </ul> <p>*See Chapter 19, pages 1-8 of the Temporary Assistance Source Book for a full list.</p>	<ul style="list-style-type: none"> <li>Federal assistance provided under public law (P.L.) 93-288 Section 312(d) (Disaster Relief Act of 1974), as amended by P.L. 100.707.</li> <li>Comparable disaster assistance payments provided by state or local governments, or by disaster organizations, such as the American Red Cross or Salvation Army.</li> <li>Federal Emergency Management Assistance (FEMA) payments made when there is a disaster or emergency.</li> </ul> <p>*See Section 16, pages 4 - 9 of the Food Stamp Source Book for a full list</p>





## Effective December 17, 2003 - Attachment A

**The lump sum section of Book 1 (What You Should Know About Your Rights and Responsibilities) at the top of page 18 is no longer accurate. A new law has been put in place. The notice below tells you about this new law on lump sums.**

### Requirement To Report A Lump Sum Payment

A lump sum payment is a one-time payment, such as an insurance settlement, an accumulated retroactive monthly benefit, an inheritance or a gambling winning that when combined with your other countable monthly income is more than your monthly Temporary Assistance needs (this is the TA grant before income is counted). When a one-time payment is small, that is, when it, combined with your other countable monthly income, is less than your monthly Temporary Assistance needs (this is the TA grant before income is counted), it is not considered a lump sum; it is just treated as income. If you or any member of your household gets or expects to get a lump sum payment or a one-time income payment, you must tell your worker **right away**. If you get a lump sum payment, and you are getting Temporary Assistance, your grant may be affected as follows.

- 1) If you get a lump sum payment, you may be allowed to keep that portion of the lump sum, which together with your countable resources does not go over the resource limit. This is called the resource set aside. The resource limit is \$2,000 for a person or family or \$3,000 if the person is, or the family contains a member, age 60 or older.
- 2) If the remaining amount (what is over the resource level) is **less than** your monthly Temporary Assistance needs (this is the TA grant before income is counted), this remainder of the lump sum payment will be counted as income for the month in which you get it. Be sure to look at the Exceptions below.
- 3) If the remaining amount is **more than** your monthly Temporary Assistance needs, you must do one of the following:
  - **TURN OVER** the lump sum payment to the local department of social services to pay back the money and help you got in the past.
    - If the lump sum payment is less than the amount of the assistance that was paid to you in the past, your case may stay open.
    - If the lump sum payment is more than the amount of the assistance that was paid to you in the past, the rules in the "**Keep**" section below apply.
  - **KEEP** the lump sum payment or the balance of the lump sum payment. Your Temporary Assistance case will then be closed for a certain amount of time. The length of time for which your case will be closed depends on how much the lump sum payment is, and how much your Temporary Assistance needs are.

**EXAMPLE:** If you get \$4,750 in a lump sum and had income of \$250 for a total of \$5000, and you have \$500 in countable resources, you can keep \$1,500 (\$2000 resource limit - \$500 in resources). This is the resource limit set aside. If you do not turn the remainder (\$3, 500) over to the agency, it

will be used to figure out how long you cannot get Temporary Assistance. If your monthly Temporary Assistance needs are \$500, your household cannot get Temporary Assistance for 7 months (\$3,500 divided by \$500 needs =7 months).

Be sure to look at the "**Exceptions**" below.

**NOTE:** If you are receiving child care benefits, some lump sum payments will impact your child care eligibility or the amount of your child care benefits. You must tell your worker about any lump sum payments immediately.

If you are receiving Medical Assistance, a lump sum payment may affect your eligibility. You must tell your worker about any lump sum payments you receive immediately.

## **EXCEPTIONS**

You and anyone who is in your case during the month in which you got the lump sum will not be able to get Temporary Assistance for a certain amount of time, even if the lump sum payment was spent, **unless** one of the following shortens that amount of time:

- Within ninety days of receipt of the lump sum you document to us that you have used any or all of the lump sum for the following exempt resources:
  - to purchase an automobile that is exempt from the Temporary Assistance resource limit and needed to seek or retain employment or for travel to and from work activities (maximum amount \$9,300 or higher if set by district);
  - to open a separate bank account or bank accounts that is exempt from the Temporary Assistance resource limit such as a First or Replacement Automobile Account for the purpose of purchasing an automobile to seek or retain employment (maximum amount \$4,650), or a College Tuition Account for the purpose of paying tuition at a two year post -secondary educational institution (maximum amount \$1,400);
  - to purchase a burial plot that is exempt from the Temporary Assistance resource limit, or
  - to purchase a bona-fide funeral agreement (maximum amount \$1, 500) that is exempt from the Temporary Assistance resource limit.

If you use up the remainder of the lump sum within 90 days of receipt and document to us that the remainder has gone into one or more of these exempt resources we will reopen your case back to the date it was closed if you reapply and are found otherwise eligible. If you have questions about using the lump sum on these exempt resources talk to your worker before you do anything with the money.

**Note:** If the district determines you have not used any of these set-asides for the purposes for which they were intended (i.e. you later close out or remove funds and do not use these bank accounts for the purpose for which these funds are set aside or, you otherwise liquidate burial plots or funeral agreements etc.), the social services district may calculate an overpayment of assistance granted.

- **Something happens which would make your Temporary Assistance go up if you were still getting Temporary Assistance.**

For example, your rent goes up or you have a special need such as pregnancy.

- **Some or all of the lump sum payment was used for a reason that you could not help. Some examples are: your family is faced with an emergency, you have unusually high household expenses such as fuel or shelter or the money is stolen.**
- **During the time you are ineligible for Temporary Assistance, a family member gets and pays for medical care that would be covered under the Medical Assistance Program.**

If your local department of social services finds out that you have countable property or that you may be getting a lump sum payment, they may place a lien against that property or the lump sum payment. This means that before you get any money from the property or lump sum payment, your local department of social services may take the amount of Temporary Assistance you, your spouse and child (ren), including stepchildren, have gotten. Liens may also be placed on personal injury settlements and any real property that you own. Real property includes the home you own and live in, as well as other real estate you may own.

If you are receiving Food Stamp Benefits and you receive a non-recurring lump sum, it will be counted as a resource starting in the month it was received and will not be counted as income.