

**GENERAL INFORMATION SYSTEM**  
**DIVISION: Employment & Transitional Supports**

**August 7, 2007**

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**TO:** Commissioners; Employment Coordinators; TA Directors; WMS Coordinators, WTWCMS Liaisons

**FROM:** Russell Sykes, Deputy Commissioner, Division of Employment & Transitional Supports

**SUBJECT:** Federal Minimum Wage Increase and Food Stamp Work Exemption

**EFFECTIVE DATE:** August 3, 2007

**CONTACT PERSON:** Employment Questions: WTW Technical Advisor or WTW Bureau at (518) 486-6106  
TA Program Questions: Bureau of Temporary Assistance at (518) 474-9344  
FS Program Questions: FS Bureau at 1-800-343-8859, Ext. 3-1469

The purpose of this message is to inform social services districts about the increase in the federal minimum wage effective July 24, 2007, and to identify the effects that the increased minimum will have on food stamp work exemptions.

The Fair Minimum Wage Act of 2007 (121 Stat. 188 to be codified at 29 USC §201 et seq.) increased the federal hourly minimum wage from \$5.15 per hour to \$5.85 effective July 24, 2007, and to \$6.55 effective July 24, 2008. The Act also provides for a final wage increase to \$7.25 effective July 24, 2009.

### **Temporary Assistance Employment Requirements**

Since New York State's minimum wage is currently \$7.15 per hour, and work experience hours are based on the higher of the State or federal minimum wage, this change will not affect the number of hours a client may be required to participate in a work experience program. Once the federal minimum wage reaches \$7.25 per hour in 2009, adjustments to the number of hours of participation in work experience will need to be made.

### **Food Stamp Employment and Training Requirements**

An increase in the federal minimum wage affects the number of individuals exempt from Food Stamp Employment and Training (FSET) work requirements based on the exemption for individuals receiving weekly earnings equal to or greater than the federal minimum wage multiplied by 30 hours. Currently, individuals earning at least \$154.50 per week or greater are exempt from participation in FSET work activities. Effective July 24, 2007, individuals must be earning at least \$175.50 per week (30 hours times \$5.85) in order to be exempt under this criteria.

At the next client contact or recertification, districts 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 criteria is met. Individuals who no longer meet the criteria should be screened to determine if they meet any of the other food stamp exemption criteria. If not, these individuals should be re-coded as nonexempt and be notified of the change in their food stamp employment status. Districts may then assign these individuals to FSET work activities.

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**TA Budgetary Implications**

None

**FS Budgetary Implications**

None

**Systems Implications**

There is no effect on the WTWCMS calculation of maximum number of weekly hours available for work experience assignments as the State minimum wage exceeds the federal minimum wage, and is therefore used in this calculation.

Work registrant reporting changes are being made to ensure that individuals who are earning the equivalent of at least 30 times the federal minimum wage are not reported as ABAWDs or food stamp work registrants. ABAWD tracking will also be updated to include the new federal minimum wage where hours per month must be calculated.