

LOCAL COMMISSIONERS MEMORANDUM

Transmittal No: 89 LCM-39 Date: March 22, 1989 Division: Income Maintenance

TO : Local District Commissioners

SUBJECT : Food Stamp Treatment of \$50 Child Support Disregards

Recent changes regarding the \$50 disregard process for child support which has been timely paid were transmitted in 89 LCM-12 (January 13, 1989). We have subsequently received federal clarification regarding the food stamp treatment of accrued child support payments. Food stamp instructions contained in this release supersede those contained in 89 LCM-12.

This memorandum is to notify you that, for food stamp purposes, only that IV-D child support pass-through which was received by the household within normal processing timeframes is countable as income. The pass-through payment is counted as food stamp income in the month following the month in which the household receives the pass-through, regardless of whether the household is otherwise prospectively or retrospectively budgeted. Any additional pass-through payments which represent support collections for previous months are excluded as income because they are lump sum payments.

For example, the ADC absent parent's \$100 per month child support obligation for January, February, and March is garnished from his wages. In March, his employer forwards all three payments to the local district's Support Collection Unit the local district issues to the ADC household three \$50 (SCU). In April, payments which represent pass-throughs for support timely paid in January, (Issuing three separate payments instead of one \$150 February and March. payment, permits identification of the amount attributable to each month.) only the \$50 pass-through for the support paid in March is budgeted as However, food stamp income, because it was received within a normal processing timeframe. This \$50 pass-through is budgeted for food stamps in May, because the household received the pass-through in April. The additional \$100 in pass-throughs, which are the result of accrued January and February support payments, are treated as lump sums. While they are excluded as income, they are counted as resources for food stamp purposes.

Systems Implications

WMS instructions for identifying which of a household's IV-D pass-through payments are countable as food stamp income are contained in ABEL Transmittal 89-2 for Upstate districts. In New York City, WMS will continue to convert only the current pass-through as food stamp income.

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Questions concerning this memorandum should be directed to your district's Food Stamp representative, at 1-800-342-3715, extension 4-9225.

This clarification will be contained in a future update to the Food Stamp Source Book.

We hope you will share this memorandum with your public assistance staff, food stamp staff and Child Support Enforcement Unit/Support Collection Unit staff.

Oscar R. Best, Jr. Deputy Commissioner Division of Income Maintenence