

Questions and Answers on Implementing a Mini-Simplified Food Stamp Program

Q1: *What is a mini-Simplified Food Stamp Program?*

A: A Simplified Food Stamp Program (SFSP) is an option that allows State agencies to implement the rules and procedures established under its Temporary Assistance for Needy Families (TANF) Program or Food stamp Program (FSP) rules and procedures, or both. A mini-Simplified Food Stamp Program (mini-SFSP) is a subset of the broader SFSP authority and allows a State agency to replace its TANF or FSP work-related rules with the other program's rules. These rule changes are limited to households receiving both TANF and food stamps.

Q2: *What if my State agency wants only to combine food stamp benefits with TANF benefits to take advantage of the new TANF rule that allows State agencies to “deem” those families who work the maximum number of hours permitted under Fair Labor Standard Act (FLSA) rules as meeting the 20-hour core activity requirement, even if they fall short of that number of hours?*

A: A State agency may combine food stamp and TANF benefits by notifying the Food and Nutrition Service (FNS) of its intent to implement a mini-SFSP under which it will determine TANF/FSP household work requirements using TANF rules. FNS understands that once State agencies exercise this authority, they may apply the deeming provision described in the Administration on Children and Families (ACF) interim rule published June 29, 2006.

Q3: *Does a State agency have to assign TANF recipients to food stamp workfare?*

A: No. Although the preamble to the TANF interim final rule indicates that State agencies would need to adopt the FSP workfare program under a mini-SFSP, we do not believe this is necessary. Upon further consideration, and after discussions with ACF, it is our understanding that, by participating in TANF work experience or community service programs, TANF/FSP households may have the value of their food stamps combined with the value of their TANF benefits, allowing State agencies to count any family that participates for the maximum hours allowed under the minimum wage requirements of the FLSA as having satisfied the required number of hours in TANF core activities.

Q4: *Does a State agency have to change FSP age exemption criteria to deem in TANF?*

A: No. When a State agency aligns FSP work requirements with TANF work requirements under a mini-SFSP, it can require a TANF/FSP household member responsible for the care of a child under age 6 to participate.

Q5: *Is there an advantage to aligning food stamp age exemption criteria with TANF criteria?*

A: For the purpose of the deeming provision, a State agency gains no advantage by aligning food stamp and TANF age exemption criteria. However, to maintain consistency in the application of food stamp sanctions for failure to comply with TANF work requirements, a State agency may opt to align FSP age exemptions with those in TANF. Then, in the case of a TANF sanction the State agency can apply a food stamp disqualification to a non-complying household member responsible for the care of a child under 6 who would otherwise remain exempt. If a State agency chooses this procedure it should, when it notifies FNS that it intends to implement a mini-SFSP, make clear that it also intends to adopt its TANF rule relating to the exemption of caretakers of children under 6 years old.

Q6: *How do food stamp sanctions work for households who fail to meet their TANF/FSP work requirement under a mini-SFSP?*

A: The adoption of a mini-SFSP does not change existing sanction policies, unless FSP age exemption criteria are aligned with TANF criteria. In accordance with 7 CFR 273.7(f)(7), a household member exempt from FSP work requirements because he/she is subject to a TANF work requirement and who fails to meet that requirement must be sanctioned in accordance with FSP disqualification procedures—unless he or she meets another FSP exemption criterion. The State agency must apply the mandatory minimum disqualification period on the household member and, if the sanctioned member is the head of the food stamp household, it may apply the optional whole household disqualification, if it has chosen that option.

If the household member meets another exemption criterion, he/she is not subject to FSP disqualification. However, under the comparable disqualification provisions of 7 CFR 273.7(f)(7)(iv), the State agency may impose its TANF disqualification on the individual household member. For example, in a State in which the State agency chose not to align its TANF/FSP age exemption criteria, a household member responsible for the care of a child under 6 is sanctioned by TANF for a failure to comply. Although the individual remains exempt from FSP sanction, the State agency has the option of applying the identical TANF disqualification on the individual.

Q7: *Does the Riverside rule of not increasing benefits apply under a mini-SFSP?*

A: Yes. The provision at 7 CFR 273.11(j), the so-called Riverside rule, prohibits FSP benefits from increasing when a household faces a decrease in their TANF benefit because of a sanction, will still apply under a mini-SFSP. There are no changes to this provision, or the 25 percent penalty, as described in 273.11 (j).

Q8: *Can mixed households participate in a mini-SFSP?*

A: Yes. Mixed households can participate in a mini-SFSP if a State agency elects to include them. However, the rules at 7 CFR 273.25(b) governing mixed households in a SFSP do not apply in these limited cases. Note that non-TANF household members are not subject to mini-SFSP requirements.

Q9: *What is the definition of a TANF case? Do expanded categorical eligibility households qualify?*

A: For purposes of the FSP, a TANF case is one in which assistance unit members receive benefits under a State program funded under part A of title IV of the Social Security Act designed to meet the members' ongoing basic needs (i.e., for food, clothing, shelter, utilities, household goods, personal care items, and general incidental expenses). For purposes of a mini-SFSP, it is one which is subject to TANF work requirements. For further information, consult your regional ACF office.

Q10: *Recap the FNS approval procedure for State agencies wanting to set up a mini-SFSP—paperwork to be completed; how long approval takes; what ongoing reports and oversight are necessary?*

A: In order to implement a mini-SFSP, State agencies must submit to their regional FNS office a notification letter indicating what they plan to do very specifically. FNS has drafted, and included in this package, a sample letter than can be used. In that letter, State agencies should indicate if their plan applies to pure TANF/FSP households or mixed households. They should describe their sanction policy and work obligation rules to be used in a mini-SFSP. FNS intends to review and accept these letters very quickly—ideally within two weeks of receipt at headquarters. State agencies that opt to include mixed households in a mini-SFSP do not have to provide periodic reports ensuring that these households are not losing food stamp benefits. Since a mini-SFSP addressed in this guidance has no impact on benefit levels, these additional reports are not necessary and can be withheld.

Q11: *Could you please clarify how the mini simplified food stamp option applies to State-funded benefits? For example, we understand that FLSA rules allow states to add the food stamp benefit and the TANF benefit together and divide that amount by the minimum wage to determine the number of hours a client may be required to work.*

A: For FSP purposes, if the case has a work obligation **and** its assistance is funded under Federal or State MOE funds, then it can be incorporated into a mini-SFSP. If one of these standards is not met (either the case has no obligation to work or it is funded by State funds) then the case cannot be included in a mini-SFSP. As for what qualifies as State funding versus State MOE funding, consult your regional ACF office.

Questions and Answers on Implementing a Mini-Simplified Food Stamp Program (continued)

Q12: *Does the provision apply to both the Federal and State portion of the cash benefit?*

A: Consult your regional ACF office.

Q13: *As we understand it, on the TANF side, there is no relationship between a recipient's hours being deemed as meeting the core work hour requirement and that same recipient actually being involved in a FSP workfare program since the activities that this deeming requirement applies to are Community Service and Work Experience Activities. If this is the case and a State wants to use this provision for community service recipients only, would in fact a State actually have to have recipients in the newly created workfare program?*

A: No. As stated in our response to question 3, above, it is not necessary for State agencies to adopt a FSP workfare program. A mini-SFSP allows State agencies to align their food stamp work requirements with their TANF work requirements. Thus, TANF work experience or community service programs are acceptable activities in which TANF/FSP households may have the value of their food stamps combined with the value of their TANF benefits.

Q14: *What if a FSP household contains a TANF unit and a non-TANF unit? Does all of the FSP benefit count toward the maximum hours the TANF unit can work under the Fair Labor Standards Act?*

A: According to FSP regulations at 7 CFR 273.7(e)(3)(ii), the maximum monthly number of hours all members of a food stamp household may participate collectively in a work program, e.g., workfare or work experience, equals the household's monthly food stamp benefit divided by the higher of the Federal or applicable State minimum wage. Thus, the number of hours a non-TANF unit household member participates in a food stamp work activity should not be counted for TANF purposes.

Q15: *Where can we obtain information about the Simplified Food Stamp Program?*

A: 7 CFR 273.25 contains the rules governing a SFSP.