

PART IX		RESOURCES	
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A. RESOURCES (7 CFR 273.8)

Only liquid assets will count in determining the eligibility of households. Households must report all countable resources held by its members at the time of application and any the members expect to receive during the certification period. The eligibility worker must document the assets in sufficient **detail**. The household's available resources at the time of the interview will determine whether or not the assets are below the maximum allowable resource limit.

B. RESOURCE LIMITS

The household's total nonexempt resources may not exceed:

- \$3,000 if the household has at least one member who is 60 years of age or older or a member who is disabled, as defined in Definitions.
- \$2,000 if the household does not have a member who is 60 years of age or older or one who is disabled, as defined in Definitions.

The resource limits do not apply to categorically eligible PA households or members. See Part II.H.3.

C. NONEXEMPT RESOURCES

Resources used to determine eligibility include:

1. Liquid assets, such as, but not limited to:
 - a. Cash on hand. This provision includes money that remains on an income debit card, such as the EPPICard for TANF or DCSE, after the month the income is deposited when such a card is not otherwise connected to an account as addressed in b below.
 - b. Money in accounts. "Account" means a contract of deposit of funds between a depositor and a financial institution. This includes checking accounts, savings accounts, certificates of deposit, share accounts (i.e., credit union accounts), or like arrangements.
 - c. Stocks or bonds.
 - d. Lump sum payments, such as income tax refunds, rebates or credits, lump sum insurance settlements, refunds of security deposits on rental property or utilities, retroactive lump sum SSA, Public Assistance, Railroad Retirement benefits, or other payments.

Lump sum payments also include gambling winnings, and accumulated vacation, sick, or severance pay of terminated employees received in one installment.

- e. Funds in a trust or transferred to a trust except as stated in Part IX.D.9.d.
- f. Earned income tax credits count two months after the month of receipt regardless of whether the payments were received as a tax refund or periodically throughout the year. Earned income tax credits are excluded as a resource for the month of receipt and the following month.

NOTE: When determining the amount of nonexempt liquid resources to count, especially bank accounts, do not consider any amount that would count as income for the same month.

Example

An applicant deposited his Social Security check into a checking account. The resource amount of the checking account would be the account balance minus the amount of the deposit.

Presume that joint bank accounts belong to the parties in proportion to their net contributions during the lifetime of all parties. A joint account between persons married to each other belongs to each party equally (half and half) however. Except for persons married to each other, each party's net contribution to the account may be established by signed statements from all parties if the verbal claim is questionable. If the parties can establish that they intended a different ownership arrangement, that ownership arrangement prevails over the above presumption.

Example

A household member's name is listed on her elderly mother's savings account. Both the household member and her mother sign statements that the daughter has not contributed any money to the account. The account is not a resource to the client.

If parties married to each other are divorced by final decree, ownership of a joint account is proportional to their net contributions unless the divorce decree specifies otherwise.

- 2. That portion of the liquid resources of an alien's sponsor and the sponsor's spouse (if living with the sponsor) deemed to be those of the alien according to procedures established in Part XII.C.2.

D. EXEMPT RESOURCES

Resources that will not count in determining eligibility include:

- 1. Real property, regardless of acreage.
- 2. Mobile homes, regardless of lot ownership.

3. Vehicles.
4. Household goods, such as furniture and appliances, and personal effects, such as clothing and jewelry. All tools are exempt, whether or not they are essential to the employment or self-employment of a household member.
5. Burial plots. In addition, the value of bona fide funeral agreements is exempt.
6. Cash value of life insurance policies.
7. Money in pension or retirement plans. This exemption includes plans authorized under the Internal Revenue Code or funds in a Federal Thrift Savings Plan account. This exemption includes Individual Retirement Accounts, 401(k), 403(b), and KEOGH plans. Money withdrawn from an exempt fund will count as income when it is withdrawn unless lump sum provisions of Part XI.F.9 apply.
8. The contract amount for land, buildings, and vehicles, sold on an installment basis.

Examples

- a. An applicant sells a piece of land for \$3,000. The applicant continues to hold the deed while the buyer pays \$100 per month. The \$3,000 selling price is exempt, but the \$100-payment counts as income.
 - b. An applicant sells a car for \$1,900 (which is its "Blue Book" value), but continues to hold title to the car while the buyer pays \$75 per month. The monthly payment of \$75 will count as income.
9. Resources whose cash value is not accessible to the household, such as, but not limited to:
- a. Security deposits on rental property or utilities.
 - b. Property in probate. For example, any property inaccessible to the household until there is a judicial determination concerning the validity of a will.
 - c. Some profit sharing programs. For example, a program that makes money available to the employee only when necessary to allow the employee to pay excessive medical expenses is exempt.
 - d. Irrevocable trust funds. These are any funds in a trust or transferred to a trust, and the income produced by that trust to the extent that it is not available to the household provided that the following four criteria are met:
 - 1) The trust arrangement is not likely to cease during the certification period and no household member has the power to revoke the trust arrangement or change the name of the beneficiary during the certification period;

- 2) The trustee administering the fund is either:
 - a) A court, or an institution, corporation, or organization which is not under the direction or ownership of any household member; or,
 - b) An individual appointed by the court who has court imposed limitations placed on the use of the funds which meet the requirements of this chapter;
- 3) Trust investments made on behalf of the trust do not directly involve or assist any business or corporation under the control, direction, or influence of a household member; and,
- 4) The funds held in irrevocable trust are either:
 - a) Established from the household's own funds, if the trustee uses the funds solely to make investments on behalf of the trust or to pay the educational or medical expenses of any person named by the household creating the trust, or
 - b) Established with funds of a person outside the household.

If the trust arrangement does not meet the four conditions listed above, the household must initiate court action to establish inaccessibility within the application processing timeframes for determining eligibility. Until the court renders a decision, the trust is available to the household.

10. Governmental payments designated for the restoration of a home damaged in a disaster, if the household is subject to legal sanctions in the event the funds are not used as intended. These types of payments include:
 - a. The Department of Housing and Urban Development or through the Individual and Family Grant Program.
 - b. The Small Business Administration as disaster loans or grants.
11. Resources that have been prorated as income for self-employed persons will not count as a resource. This includes profits from the annual sale of crops.
12. Resources of nonhousehold members, including ineligible students. See Part VI.C.1 for a list of these persons. The resources of disqualified household members will count however. (See Parts VI.C.2 and XII.E.)
13. Resources excluded by law. (Admin. Notice A-39-97). This includes:
 - a. Benefits received from the supplemental food program for the Women, Infants and Children program (WIC) (P.L. 100-435).

- b. Reimbursements from Title II of the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970. (P.L. 91-646, Section 216).
- c. Earned income tax credits excluded as follows:
 - 1. Federal earned income tax credits received as a lump sum or as payment for the month of receipt and the next month.
 - 2. Federal, state or local earned income tax credits for 12 months from receipt if the individual receiving the tax credit was receiving SNAP benefits when the tax credit was received and provided that the household continuously participates during the 12-month period. In determining the 12-month period, temporary breaks of one month or less will not be considered as nonparticipation.
- d. Payments for meals for children or adults on whose behalf the payment is made through the Child and Adult Care Food Program, Section 12(3) of the School Lunch Act.
- e. Energy Assistance payments, including payments from the Low Income Home Energy Assistance Program (i.e., the Virginia Fuel Assistance Program), CSA payments, HUD and FmHA utility reimbursements. (P.L. 99-425).
- f. Financial assistance from a program funded in whole or in part under Title IV of the Higher Education Act and the Bureau of Indian Affairs, as amended. Exclude also any money incurred or issued through the U.S. Department of Education or received under the Carl D. Perkins Vocational and Applied Technology Education Act (P.L. 99-498 and 100-50).
- g. Payments to certain U.S. citizens of Japanese ancestry and resident Japanese aliens and certain Aleuts, under the Wartime Relocation of Civilians Act (P.L. 100-383).
- h. Payments from the Agent Orange Settlement Fund or any other fund established for settlement of Agent Orange product liability litigation. (P.L. 101-201 and 101-239).
- i. All compensation from the Alaska Native Claims Settlement Act and amendments (P.L. 92-203 and 100-241).
- j. Payments authorized under the Disaster Relief Act of 1974, as amended (P.L. 100-707) and the Disaster Relief and Emergency Assistance amendments of 1988. The President must declare the disaster or emergency. This exclusion applies to federal payments and comparable disaster assistance provided by States, local governments and disaster assistance organizations.

Payments through the Federal Emergency Management Agency (FEMA) to property owners under the National Flood Insurance Act of 1968 to reduce risks of flood damage are excluded.

Most funds from FEMA are excluded, but payments made when there is no declared disaster or emergency, such as rent assistance for a homeless household, are not excluded.

k. The following payments to or land of Indian tribes:

- Indian land held jointly with the tribe or land that can be sold only with the approval of the Department of the Interior's Bureau of Indian Affairs.
 - Payments under the SAC and Fox Indian claims agreement (P.L. 94-189).
 - Payments received by certain Indian tribal members for submarginal land held in trust by the United States (P.L. 94-114, Section 6).
 - Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (P.L. 94-540).
 - Payments received by the Confederate Tribes and Bands of Yakima Indian Nation and the Apache Tribe of the Mescalero Reservation from the Indian Claims Commission (P.L. 95-433, Section 2).
 - Payments from the Maine Indian Claims Settlement Act of 1980 to the Passamaquoddy Tribe, the Penobscot Nation, and the Houlton Band of Maliseet (P.L. 96-420, Section 9c).
 - Payments of relocation assistance to members of the Navajo and Hopi Tribes (P.L. 93-531, Section 22).
- Per capita interests in trust or restricted lands under the Indian Tribal Judgment Fund Use (P.L. 93-134 and 97-458).
- Payments to the Chippewa Tribes: Turtle Mountain, Red Lake, Mississippi, Lake Superior, Saginaw or White Earth (P.L. 97-403, 98-123, 99-146, 99-264, 99-346, and 99-377).
 - Payment to the Blackfeet, Grosventre, and Papago Tribes (P.L. 97-408).
 - Payments to the Assiniboine Tribes (P.L. 98-124, Section 5 and 97-408).
 - Payments to the Seneca Nation (P.L. 101-503).
 - Payments to the Puyallup Tribe (P.L. 101-41).
 - Payments, except for per capita payments over \$2000, to the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, and the Miccosukee Tribe of Florida and the independent Seminole Tribe of Florida (P.L. 101-277).

- Payments made under the Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act (P.L. 103-436).
 - I. Resources of SSI recipients. The agency does not need to make a separate evaluation of resources for SNAP purposes for a household in which all members are SSI recipients. The agency must evaluate the resources of household members who do not receive SSI.

Resources of TANF recipients. The agency does not need to make a separate evaluation of resources for SNAP benefits for a household in which all members receive TANF income or any member receives a TANF-funded service. See PA Case in Definitions for the TANF Program requirements.
 - m. Amounts paid to individuals under the Radiation Exposure Compensation Act for injuries or death resulting from exposure to radiation from nuclear testing and uranium mining in Arizona, Nevada and Utah (P.L. 101-426).
 - n. Payments to individuals because of their status as victims of Nazi persecution (P.L. 103-286).
 - o. Payments through the Department of Veteran Affairs to children of Vietnam veterans who are born with congenital spina bifida and payments to children of female Vietnam veterans who are born with certain birth defects (P.L. 104-204 and P.L. 106-419).
14. HUD retroactive tax and utility cost subsidy payments issued pursuant to the settlement of Underwood v. Harris, for the month in which payment was received and the following month.
 15. Resources under a lien.
 16. Money in individual development accounts (IDA). These exempt funds may be in the form of a trust, trust account or a custodial account. The owner of the account must be a current or former TANF recipient or one who is ineligible for TANF as long as the person's income is less than 200 percent of the federal poverty guidelines. Funds in the account are exempt as long as they are not withdrawn. The account will remain exempt if the household withdraws the funds and uses the money to pursue post-secondary education, to purchase a house, to start a business or to meet an emergency need approved by the sponsoring agency. In Virginia, the accounts are called the Virginia Individual Development Account (VIDA) and Assets for Independence Account (AFIA).
 17. Money in an escrow account established by the Family Self-Sufficiency Program through the U.S. Department of Housing and Urban Development.
 18. Money in educational accounts. These accounts include Coverdell Savings accounts and qualified tuition accounts (Internal Revenue Codes 529 and 530).

E. HANDLING OF EXEMPT FUNDS (7 CFR 273.8(f))

1. **Liquid assets that are exempt from consideration, as outlined in Chapter D, that are** kept in a separate and identifiable account from nonexempt funds remain exempt as a resource for an unlimited time.
2. Exempt funds kept in an account along with other nonexempt funds remain exempt for six months from the date the funds are commingled. After six months from the date the funds are commingled, all funds in the commingled account are countable as a resource.

Example

A two-person household has a savings account with a balance of \$900. The household receives a payment of \$1,200 from the Individual and Family Grant Program (IFG) in January. If the household places the IFG funds in a separate and identifiable account, the IFG funds will remain exempt indefinitely. If the household deposits these funds in the savings account containing \$900, however, the IFG funds will remain exempt for only six months from the date they are commingled with the nonexempt funds.

If the funds are commingled in January, the total amount in the account as of July will count towards the resource level.

3. Funds exempted under Part IX.D.11 will retain the exemption as a resource for the full period over which they have been prorated as income, even if commingled with nonexempt funds.

Example

A self-employed farmer receives a \$1,000 payment that is prorated as income over 10 months. This money is deposited in the household's regular checking account with other nonexempt funds. Any portion of the payment that remains in the checking account will be exempt as a resource for the full 10-month period over which the income is prorated. After the 10-month period, any part of the payment remaining in the account with the nonexempt funds will count a resource.

4. Where a resource is exempt because of its use by or for a household member, the exemption will also apply when the resource is used by or for a disqualified person whose resources count as part of the household's resources. This could include the work-related equipment essential to the employment of an ineligible alien household member or disqualified person, as allowed under Part IX.D.4, or burial plots for ineligible alien or disqualified household members, as allowed under Part IX.D.5.

F. TRANSFER OF RESOURCES (7 CFR 273.8(i))

At the time of application, households must provide information about any resources transferred during the three-month period immediately preceding the date of application. The EW must

assess any resource transfer by a household member or disqualified person whose resources count to the household. If resources have knowingly been transferred during this period in order to qualify or attempt to qualify for SNAP benefits, the household will be disqualified from participation in the program for up to one year from the date of discovery of the transfer.

Example

A client transferred resources on November 20 to be eligible for SNAP benefits. The household filed an application the following February 21. Since the transfer occurred more than three months before the application date, there would be no disqualification because of the transfer.

Disqualification will also apply if the household acquires resources after being certified and then knowingly transfers the resources to avoid going over the maximum resource limit.

The following transfers will not affect eligibility:

1. Resources that would not affect eligibility; e.g., exempt personal property such as furniture, or nonexempt funds, such as money that, when added to other household nonexempt resources, totals less at the time of transfer than the resource limit.
2. Resources transferred between members of the same SNAP household, including ineligible aliens and disqualified persons whose resources count to the household.
3. Resources transferred for reasons other than qualifying for SNAP benefits. For example, a parent placing funds into an educational trust fund.

If the local agency establishes that an applicant household knowingly transferred resources to qualify for or to attempt to qualify for SNAP benefits, the EW must send the household the *Notice of Action* to deny the application. The notice must explain the reason for denial and the length of the disqualification. The disqualification period will begin in the month of application. If the household is participating at the time the transfer is discovered, the EW must send an *Advance Notice of Proposed Action* or *Notice of Action* to explain the reason for closure and length of disqualification. The disqualification period will be effective with the first allotment to be issued after the advance notice period has expired, unless the household has requested a fair hearing and continued benefits.

If the agency learns that the person who transferred the resources that resulted in disqualification left the household, eligibility for remaining household members can be determined without regard to the rest of the disqualification period. The disqualification period will follow the member who improperly transferred the resources however.

Example

A nine-month disqualification is imposed on January 3 for the period January through September. The household reapplies June 12, and the member who transferred a bank account is no longer a household member. Eligibility for the rest of the household can be evaluated from the date of the reapplication on June 12.

The length of the disqualification is based on the amount by which nonexempt transferred resources, when added to other nonexempt resources, exceed the allowable resource limit.

Example

A household has \$3,400 in a savings account. In an attempt to become eligible for SNAP benefits, the household transferred \$1,500 from the bank account to someone outside the SNAP household. The resource limit for this household is \$2,000. The amount of the transferred resource used in determining the length of the disqualification period will be \$1,400.

The following chart is used to determine the disqualification period:

Amount in Excess of the Resource Limit	Period of Disqualification
\$.01 to \$249.99	1 month
\$250 to \$999.99	3 months
\$1000 to \$2999.99	6 months
\$3000 to \$4999.99	9 months
\$5000 or over	12 months