



Office of Temporary and Disability Assistance

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Administrative Directive Memorandum

Section 1

Transmittal:	22-ADM-11
To:	Social Services District Commissioners
Issuing Division/Office:	Employment and Income Support Programs
Date:	October 6, 2022
Subject:	Public Assistance Policy Changes Included in the SFY 2022-23 New York State Budget
Suggested Distribution:	Temporary Assistance Directors SNAP Directors HEAP Coordinators Staff Development Coordinators Employment Coordinators WMS Coordinators Fair Hearing Staff Medicaid Staff
Contact Person(s):	Temporary Assistance Bureau: (518) 474-9344 or otda.sm.cees.tabureau@otda.ny.gov
Attachments:	Attachment 1 - Filing References Attachment 2 - LDSS-5041: "Lien Acknowledgement" Attachment 3 - LDSS-5069: "Biennial Accounting"

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
See Attachment 1	See Attachment 1	See Attachment 1	See Attachment 1	See Attachment 1	See Attachment 1

Section 2

I. Summary

This Administrative Directive Memorandum (ADM) advises social services districts (districts) of Public Assistance (PA) policy changes included in the SFY 2022-23 New York State (NYS) Budget.

II. Purpose

The purpose of this ADM is to provide guidance to districts on the following:

1. Effective April 1, 2022, the SFY 2022-23 NYS Budget repealed Section § 106 of the Social Services Law (SSL): “Powers of Social Services Officials to Receive and Dispose of a Deed, Mortgage, or Lien,” relating to mortgage repayment for liens for PA beneficiaries. The repeal impacted a district’s ability to accept a real property and/or mortgage lien as a condition of eligibility for PA, as well as a district’s ability to collect on previously filed real property and/or mortgage liens; and
2. Effective October 1, 2022, the SFY 2022-23 NYS Budget amends certain parts of SSL § 131-a, SSL § 131-n, SSL § 153, and SSL § 158, which:
 - Change the Earned Income Disregard (EID) to 50%;
 - Increase the Work Expense Disregard to \$150;
 - Change the order in which the EID and Work Expense Disregard are applied;
 - Eliminate the Gross Income Test (GIT) and the Poverty Level Income Test (PLT);
 - Eliminate the Safety Net Assistance (SNA) 45-day waiting period;
 - Increase the PA resource limit for **applicant households** to \$2,500, or \$3,750 when any member of the PA household is age 60 years or older or is **disabled**; and
 - Increase the resource limit to \$10,000 for all PA **recipient households**.

This information was initially communicated to districts via [GIS 22 TA/DC037](#), [GIS 22 TA/DC080](#), [GIS 22 TA/WMS032](#) and [GIS 22 TA/DC085](#). As a result of these statutory changes, regulatory amendments to Title 18 of the New York Codes, Rules and Regulations (NYCRR) are forthcoming.

III. Background

The SFY 2022-23 NYS Budget repealed SSL § 106 and amended certain parts of SSL § 131-a, SSL § 131-n, SSL § 153, and SSL § 158. The above-mentioned PA program changes will enhance the ability of low-income applicants and recipients to receive benefits sooner and increase the amount that they can earn and save while receiving PA to encourage work, maintain employment, and better meet their ongoing needs.

IV. Program Implications

If information in this directive conflicts with any information provided in previous transmittals from OTDA, this directive supersedes prior information.

Repeal of Liens

Effective April 1, 2022, districts **must no longer** require an individual applying for or receiving PA to sign a real property and/or a mortgage lien as a condition of eligibility for PA. Additionally, the district **must no longer** require the individual to sign a [LDSS-5041](#): “Lien Acknowledgment” form (Attachment 2). Districts are reminded that the home, which is the usual residence of the assistance unit, is exempt as a resource as outlined in 18 NYCRR § 352.23(b)(1).

Application of the Earned Income Disregard and the Work Expense Disregard

Currently the EID is applied to the difference between the eligible applicant or recipient’s gross earned income and the work expense disregard. Effective October 1, 2022, the EID will be applied **prior to** the work expense disregard. The work expense disregard will be deducted from the remainder of the individual’s gross earned income after the EID is applied.

Earned Income Disregard

Effective October 1, 2022, the EID will change from 55% to 50%, and will be adjusted annually beginning June 1, 2023. However, the policy of only applying the EID for earnings up to the Federal Poverty Level (FPL) for those residing in temporary housing shelter types remains unchanged.

Work Expense Disregard

Effective October 1, 2022, the work expense disregard will increase from \$90 to \$150.

Single and Childless Couples

Effective October 1, 2022, the method by which gross earned income is calculated will change for SNA cases for single individuals and childless couples. These cases, which were previously not eligible for the EID, will now be eligible to have the EID percentage deducted from their gross monthly income when calculating their budgets. These cases remain eligible to have the work expense disregard deducted to calculate their total countable gross earned income after the EID is applied.

Elimination of the Gross Income Test and Poverty Level Income Test

Effective October 1, 2022, Automated Budgeting and Eligibility Logic (ABEL) will no longer perform the GIT and PLT. ABEL will only perform the Needs Test in determining income eligibility for PA. For recipients, net income cannot equal or exceed the PA standard of need after deducting the 50% EID and then the \$150 work expense disregard. If net income equals or exceeds the PA standard of need, the recipient is ineligible. An applicant's eligibility for PA must be determined without application of the percentage EID unless the applicant is reapplying and has been off PA not more than four whole months.

Elimination of the SNA 45-Day Waiting Period

For SNA applications, districts currently calculate the amount of the initial grant of regularly recurring financial assistance, beginning with the 45th day after the date of application. SNA payments made prior to the 45th day could only be issued to meet emergency circumstances. Beginning October 1, 2022, the SNA 45-day waiting period is eliminated.

Starting October 1, 2022, the rules for SNA eligibility determinations will be the same as Family Assistance (FA). There will no longer be a 45-day waiting period for SNA applicants to receive PA benefits. Districts will be required to determine eligibility for all SNA applications within 30 days from the date of application. Beginning October 1, 2022, the PA date of eligibility will be the date when the applicant provides the required documentation and complies with all PA program requirements. The budgeting of the initial grant begins on the date of eligibility as determined above.

The requirement to determine eligibility for all SNA applicants within 30 days from the date of application and the elimination of the 45-day waiting period applies to all SNA cases (Case Types 12, 16, 17) including individuals in receipt of SNA who have complied with the terms of a sanction and are attempting to reestablish eligibility. To prevent a delay in receiving SNA again, sanctioned individuals may reapply 30 days prior to the end of the sanction. The 45-day SNA waiting period no longer applies.

The requirement to determine eligibility for all SNA applicants within 30 days from the date of application also applies to incarcerated individuals applying for services prior to release. Districts may begin to process PA applications from incarcerated individuals 30 days prior to their release. Benefits can be issued immediately upon release provided all eligibility requirements have been

met and the individual has been determined otherwise eligible. Districts are reminded that while awaiting an individual's release from incarceration, applications cannot be held longer than 30 days.

The guidance set forth in [14-LCM-01](#) regarding the eligibility determination and claiming of Emergency Assistance to Needy Families (EAF) granted for nonrecurring, short-term assistance for cases which are later found eligible for ongoing, recurring PA remains the same, with the exception that all references to 45 days should now be 30 days.

Specifically, upon application for ongoing PA, the district has 30 days to determine eligibility for FA and 30 days to determine eligibility for SNA and, if the applicant is determined eligible, to provide assistance. Once the ongoing category of PA is established and the case is opened, payments should be coded in the Welfare Management System (WMS) by the established category of assistance and claimed accordingly. The payments must not be identified and claimed as EAF payments. For cases that are determined eligible for ongoing PA, districts must not submit EAF claims beyond the 30-day application period.

Example:

A family with children is evicted, applies for and is found eligible for EAF, and is placed into temporary housing. The district should evaluate if this need will likely extend beyond the current month and if so, evaluate the application for ongoing PA as soon as possible. The district would then determine eligibility for ongoing PA and if the case is found to be eligible for PA in the Safety Net Non-Cash Assistance Federally Participating (SN-FP) category, the district may use EAF, if otherwise eligible, to cover the temporary housing assistance for the initial application period of 30 days and SN-FP would be claimed for any ongoing period thereafter. The district should code benefits issued during the application period using a non-assistance payment type (e.g., an emergency rent payment would be coded E8 for Rest of State (ROS) or D8 for New York City (NYC)).

SNA cost shares for districts will remain consistent with the percentages established as part of the SFY 2022-23 NYS Budget, which are 29% State funds and 71% local funds.

Resource Limit Changes

Effective October 1, 2022, changes to the PA resource limit policy are as follows:

- The amount of liquid and non-liquid assets that an applicant household can own and still qualify for PA will increase from \$2,000 to \$2,500;
- When any member of the PA household is age 60 years or older, the amount of liquid and non-liquid assets the applicant household can currently own and still qualify for PA is \$3,000. This amount will increase to \$3,750 for PA applicant households where any household member is age 60 years or older **or** is disabled; and
- All PA recipient households will have a resource limit of \$10,000.

V. Required Action

Repeal of Liens

- Effective April 1, 2022, districts **must no longer** require an individual applying for or receiving PA to sign a real property and/or a mortgage lien as a condition of eligibility for PA;
- Effective April 1, 2022, districts **must no longer** require an individual applying for or receiving PA to sign a [LDSS-5041](#) form;

- Districts are able to keep monies collected for payments made against a real property and/or mortgage lien, as long as payments were received **prior to** April 1, 2022. Payments for liens that were received April 1, 2022 or later, must be returned to the individual;
- Districts are able to keep monies collected for payments made against a real property and/or mortgage lien that was taken between May 31, 2014 and March 31, 2022, only if the district obtained a signed LDSS-5041 from the applicant/recipient. From April 1, 2022 through April 8, 2022, districts **could only** recover PA real property liens if the district had a signed [LDSS-5041](#);
- Districts must return all monies received April 9, 2022 or later, regardless of the date the real property and/or mortgage lien was taken;
- Effective immediately, districts **must** discharge all outstanding real property and/or mortgage liens from district County Clerk records; and
- Effective April 9, 2022, districts are no longer required to send a [LDSS-5069](#): “Biennial Accounting Letter” (Attachment 3); letter as outlined in [15-ADM-05-T](#), as all outstanding PA real property and/or mortgage liens must be discharged.

Earned Income Disregard

Districts must begin using the new 50% EID for eligible cases with ABEL budgets as of October 1, 2022. ABEL supported this change as of Sunday, July 17, 2022, for ROS and September 19, 2022, for NYC.

Application of Earned Income Disregard and the Work Expense Disregard

As of October 1, 2022, the 50% EID will be applied prior to the \$150 work expense disregard.

Elimination of the Gross Income Test and Poverty Level Income Test

Beginning October 1, 2022, ABEL will no longer perform the GIT and PLT. Only the Needs Test will be performed in determining income eligibility for PA.

Elimination of the SNA 45-Day Waiting Period

Effective October 1, 2022, districts are required to determine eligibility for all SNA applications within 30 days from the date of application. For SNA applications filed from August 17, 2022, through September 1, 2022, districts must make an eligibility determination on these applications no later than October 1, 2022. For SNA applications filed on or after September 2, 2022, districts must make an eligibility determination within 30 days from the date of application. For SNA applications approved prior to October 1, 2022, benefits must not be issued prior to the 45th day, or until October 1, 2022, whichever is earlier.

Please see the examples below to further clarify districts’ responsibility to review and determine SNA eligibility and issue benefits:

Example 1:

A single individual applies for SNA on 9/26/2022. The applicant provides all necessary documents and complies with all PA eligibility requirements on 9/28/2022. On 9/30/2022, the district reviews the application and supporting documentation, determines that the individual is eligible and processes the case opening. The individual would be eligible for SNA on 10/1/2022.

Example 2:

A childless couple applies for SNA on 9/26/2022. The applicants provide all necessary documents and complies with all PA eligibility requirements on 10/1/2022. On 10/12/2022, the district reviews the application and supporting documentation, determines that the couple is eligible and processes the case opening. The couple would be eligible for SNA on 10/1/2022.

Example 3:

A single individual applies for SNA on 9/12/2022. The applicant provides all necessary documents and complies with all PA eligibility requirements on 9/19/2022. On 10/2/2022, the district reviews the application and supporting documentation, determines that the individual is eligible and processes the case opening. The individual would be eligible for SNA beginning 10/1/2022.

Resource Limit Changes

On October 1, 2022, districts must begin applying the new PA resource limits when determining PA eligibility. These new limits are \$2,500 for PA applicant households; \$3,750 for PA applicant households where any member of the PA household is age 60 years or older or is disabled; and \$10,000 for PA recipient households, regardless of age.

Example 1:

A family of three, *which includes a disabled child*, apply for PA on October 10, 2022. At the eligibility interview, the eligibility worker determines the total countable assets owned by the family amount to \$3,500. Based on the new resource limit, the family's assets will be exempt from the benefit calculation, as they are under the \$3,750 limit for applicants with a household member who is age 60 years or older or disabled.

Example 2:

During a recertification interview, a PA recipient household informs the eligibility worker that they received a \$5,000 payment from a lawsuit settlement on December 16, 2022. The household's only other asset is a bank account with \$1,000. Under the new resource limit of \$10,000 for recipients, the recipient total asset value of \$6,000 will be exempt from the PA benefit calculation.

For PA households that were determined ineligible for a period based on the lump sum calculation for resources prior to October 1, 2022, and the period of ineligibility goes past that date, districts must recalculate the period of ineligibility for those households if they reapply for PA on or after October 1, 2022.

VI. Systems Implications***Rest of State****Repeal of Liens*

The Recovery Tracking Menu (Screen 29) in the Benefit Issuance and Control System (BICS), allowed districts to record and track real property and/or mortgage liens. The functionality to establish a new real property and/or mortgage lien was disabled on May 6, 2022.

The Lien Indicator (LI) field on the Clearance Report will remain; however, information regarding an outstanding real property and/or mortgage lien for a case will not be displayed. Values in the LI field will no longer be displayed on the Clearance Report effective October 16, 2022.

WMS Client Notice System (CNS) PA Individual Reason Code "F84: Failure to Sign Lien Acknowledgment Form/Lien", which allowed districts to sanction individuals that did not comply with the PA eligibility requirement to sign a real property and/or mortgage lien or a [LDSS-5041](#), was disabled on June 13, 2022.

Earned Income Disregard/Work Expense Disregard

Disregard indicator “6 - No Disregard (Case Type 16, 17 Only)” was disabled for budgets that have a “FROM” date of October 1, 2022, or later. As SNA cases for single individuals and childless couples will be eligible for the EID as of October 1, 2022, this code is obsolete. Therefore, to determine an applicant’s eligibility for PA, workers must use one of the two following disregard entries for all PA case types: ABEL Disregard Indicator code “1 - If Eligible, Give Disregard”, unless the applicant has received PA for any one of the four months preceding the date of the current application. If the applicant has received PA for any one of the four months preceding the date of the current application, workers must use ABEL Disregard Indicator code “2 - Calculate With Disregard.” The Disregard Indicator code of “1 - If Eligible, Give Disregard” will automatically grant the disregard if the applicant’s income minus work expense disregard is less than total needs. The indicator does not need to be changed until a subsequent 05 transaction. The next time a case requires an “05 – Change” transaction, the worker would manually change the ABEL Disregard Indicator from a code “1 - If Eligible, Give Disregard”, to a “2 - Calculate With Disregard” if the client still receives earned income and continues to be eligible for PA.

For cases where a client is ineligible for the EID and the work expense disregard, the worker would enter an “N - No Deduction Allowed” in the Work Expense Deduction Indicator (D). This blocks the EID and the work expense disregard.

The current ABEL budget calculations have changed to first apply a 50% EID (previously 55%), then apply the \$150 (previously \$90) work expense deduction. This change will be applied to the following PA case types: 11,12,16 and 17. This change is effective for budgets with FROM dates of 10/01/2022 or later.

A Mass Rebudgeting/Reauthorization (MRB) was conducted to apply the new PA budget calculations to applicable cases and update associated Supplemental Nutrition Assistance Program (SNAP) budgets for PA cases authorized to receive SNAP. ABEL budget calculations and the initial phase of the MRB occurred on July 16, 2022, and the final phase on July 23, 2022. Eligible cases were active PA cases with earned income with a PA budget TO date of 10/31/2022, or later. The MRB inserted a new PA budget FROM date of October 1, 2022, and a date stored of July 24, 2022. Automated notices were sent to recipients via CNS, informing them of these grant changes. Districts may refer to [ABEL Transmittal 22-2 – Revised](#) for further guidance.

Elimination of the Gross Income Test and Poverty Level Income Test

For PA budgets calculated as of July 17, 2022, with an Effective FROM date of October 1, 2022 or later, ABEL will no longer perform the PLT and the 185% GIT. Only the Needs Test will be performed in determining income eligibility for PA. Districts may refer to [ABEL Transmittal 22-2 – Revised](#) for additional information.

Elimination of the SNA 45-Day Waiting Period

IV-D indicator of code value P (Pending 45th Day from Application) was removed effective the evening of September 1, 2022. As a result, the 45-day waiting period previously instituted in the IV-D indicator field will no longer occur. [GIS 22 TA/WMS032](#) contains further information. CNS notice paragraphs A30, A31, A32, M71, M72, M74, BE1, BE2, BE3, WE1, WE2 and WE3 were updated to reflect the removal of the 45-day waiting period for SNA. The updates to CNS notice paragraphs N31, N41, N42 and N43 will take effect on October 14, 2022.

Resource Limit Changes

WMS CNS codes E38/F38 for Lump Sum notices were modified to reflect the resource limit changes. WMS CNS code U16 used in situations where a PA household's resource limit has decreased resulting in the PA case being ineligible due to excess resources when the recipient household no longer contains any member aged 60 years or older, is now obsolete as the new resource limit for PA recipient households has no age barrier.

New York City

Repeal of Liens

WMS CNS PA Individual Reason Code "F84: Failure to Sign Lien Acknowledgment Form/Lien" was disabled on July 14, 2022.

Earned Income Disregard/Work Expense Disregard

The current ABEL budget calculations will change to first apply a 50% EID (previously 55%), then apply the \$150 (previously \$90) work expense deduction. This change will be applied to PA case types: 11,12,16 and 17. This change is effective for budgets with FROM dates of 10/A/2022, or later. An MRB occurred to ensure that recipients who are in receipt of earned income were budgeted with the new budget calculations. This year's MRB was facilitated using an EID Pass I run and a Thrifty Pass II run. The EID Pass I run encompassed the population that has grant changes that are required to be sent notices. Pass I was completed August 19-21, 2022 and created automated notices via CNS informing recipients of these grant changes. The Thrifty Pass II run covered the population that is included in EID and Thrifty. Pass II occurred during the weekend of September 16-18, 2022. As a result of the Pass II MRB, the budget effective date of the selected cases changed to 10/A/2022 and the correct algorithms were applied.

Elimination of the Gross Income Test and Poverty Level Income Test

Beginning budget effective date 10/A/2022, the PA 185% GIT and the PLT will be bypassed as eligibility requirements for all shelter types. Budgets with effective dates prior to 10/A/2022 are not impacted by these changes.

For the purposes of determining Transitional Employment Advancement Program-Transitional Benefits Alternative (TEAP-TBA) cases, the PA 185% GIT and the PLT will no longer be used, and the Needs Test will be the only test applied to determine eligibility. All PA cases that contain the following information will now only be subject to the Needs Test:

- Income Source Code (D.E. 07-800) = 37
- ETI Code (D.E. 03-500) = T
- Routing Location (D.E. 14-550) = E500
- Program Indicator (D.E. 98-424 or 98-487) = P

The following Budget Disposition codes (98-300) should not be output for a failed budget:

- 03 - Fail Gross Income Test
- 17 - Zero Deficit - Shelter Type 35 - Fail Gross Income Test
- 19 - Zero Deficit - Shelter Type 35 - Fail Poverty Guidelines Test
- 39 - Fail Poverty Guidelines Test
- 41 - Fail Poverty Guidelines Test (TEAP)
- 93 - BLB - Fail Gross Income Test
- 94 - BLB - Fail Poverty Guidelines Test

- 96 - Zero Deficit - TEAP - Fail Gross Income Test

Although the Poverty Level guidelines are bypassed for eligibility requirements for non-TEAP TBA cases, they will remain in place to determine the amount of income counted toward the EID for transitional housing shelter types (D.E. 11-120) 06, 13, 14, 30, 33, 34 and 35, as outlined in WLM 2010-00657 and SA291300.

Elimination of the SNA 45-Day Waiting Period

NYC WMS will lift the 45-day benefit processing hold for case types and apply the same rules as case type 11 for benefit processing of SNCA, SNNC and SNFP cases. CNS notice paragraphs A30, A32, M71, M74, VE1, VE2 and VE3 were revised to reflect the removal of the 45-day waiting period.

Resource Limit Changes

WMS CNS codes E38/F38 for Lump Sum notices were modified to reflect the resource limit changes. CNS code I46, used in situations where a PA household's resource limit has decreased resulting in the PA case being ineligible due to excess resources when the recipient household no longer contains any member aged 60 years or older, is now obsolete as the new resource limit for PA recipient households has no age barrier.

VII. Effective Date

October 1, 2022, unless otherwise indicated above.

Issued By:

Name: Valerie T. Figueroa

Title: Deputy Commissioner

Division/Office: Employment and Income Support Programs/Office of Temporary and Disability Assistance