



# Office of Temporary and Disability Assistance

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## Administrative Directive Memorandum

### Section 1

<b>Transmittal:</b>	23-ADM-10
<b>To:</b>	Social Services District Commissioners
<b>Issuing Division/Office:</b>	Employment and Income Support Programs
<b>Date:</b>	December 22, 2023
<b>Subject:</b>	Temporary Assistance Budgeting: New Earned Income and Training Disregard Measures Authorized in the SFY 2023-24 State Budget
<b>Suggested Distribution:</b>	Temporary Assistance Directors and Staff, SNAP Directors, Employment Coordinators, HEAP Coordinators, Staff Development Coordinators, WMS Coordinators, Fair Hearing Staff, Medicaid Staff
<b>Contact Person(s):</b>	Employment and Advancement Services Bureau at: (518) 486-6106 or <a href="mailto:otda.sm.eisp.eas@otda.ny.gov">otda.sm.eisp.eas@otda.ny.gov</a> Temporary Assistance Bureau at: (518) 474-9344 or <a href="mailto:tabureau@otda.ny.gov">tabureau@otda.ny.gov</a>
<b>Attachments:</b>	<a href="#">Attachment 1 - One-Time Six Month 100% Earned Income Disregard Information LDSS-5256</a>

### Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
09-ADM-11		352.20	SSL 131-a(8)		
08-ADM-07		385.9	SSL 336-a		
01-ADM-13		385.11			
04 INF-19		385.12			
95 INF-33		385.13			
93 ADM-09					

### Section 2

#### I. Summary

This Administrative Directive (ADM) is to inform social services districts (districts) of the following changes resulting from amendments to Social Services Law (SSL) made pursuant to Part X of Chapter 56 of the Laws of 2023 (SFY 2023-24 New York State Budget):

- Section 131-a(8)(a) of the SSL was amended to disregard all earned income a Public Assistance (PA) recipient derives from participation in a qualified work activity or training

program as determined by the Office of Temporary and Disability Assistance (OTDA) for purposes of budgeting and eligibility determinations.

- Section 131-a(8)(a) of the SSL was also amended to allow PA recipients who enter new employment to have all of their earned income disregarded from budgeting and eligibility determinations for a once-per-lifetime period of up to six consecutive months.

## **II. Purpose**

The purpose of this ADM is to inform districts of changes to SSL section 131-a(8)(a) as authorized by Part X of Chapter 56 of the Laws of 2023 (SFY 2023-24 New York State Budget) and to provide guidance for implementation. These changes go into effect on December 29, 2023.

## **III. Background**

PA recipients who are seeking employment or training opportunities often face barriers to economic security when even an incremental increase in income might disqualify them from receiving benefits. The SFY 2023-24 New York State Budget, enacted on May 3, 2023, created new income disregard provisions designed to support PA recipients who start new jobs or participate in employment and training activities by allowing them to earn more income while retaining access to PA and other support services.

The SFY 2023-24 State Budget established a new disregard on all earned income that a PA recipient derives from participation in a qualified work activity or training program, provided the individual's overall income does not exceed 200% of the Federal Poverty Level (FPL) for their household size. For the purposes of this policy, only the individual's work activity or training income is compared to the FPL for their household size; the remaining household members' income is not used in this calculation. This disregard does not apply to Supplemental Nutrition Assistance Program (SNAP) benefits. This measure allows more recipients to maintain fiscal stability while learning skills to improve future job prospects and may encourage more training programs to offer financial compensation to participants. Qualified activities and programs for this exemption are determined by OTDA and will be further detailed in the next section.

The SFY 2023-24 State Budget also created a new measure to disregard all earned income of a PA recipient following new job entry for a maximum of six consecutive months, once per lifetime, provided that the individual's overall income does not exceed 200% of the FPL for their household size. For the purposes of this policy, only the newly employed individual's income is compared to the FPL for their household size; the remaining household members' income is not used in this calculation. Following the six-month period, regular budgeting of income for purposes of PA eligibility would apply. The six-month disregard period is intended to help recipients strengthen their financial footing by supporting their ability to save more of their earned income and absorb future expenses prior to income based case closure or case rebudgeting resulting in reduced benefits. This disregard does not apply to SNAP benefits.

## **IV. Program Implications**

Both the training income disregard and one-time 100% employment income disregard apply only to individuals who are already in receipt of PA and cannot be used for applicants. A recipient is defined as an individual who submitted an application for PA or had someone else submit an application for PA on their behalf, and who has been determined eligible for PA. The definition of household size for the purpose of applying the 200% FPL includes all individuals who are active on the PA case.

## Training and Work Activity Income Disregard Implications:

Provided that the individual's total gross income is not more than 200% of the FPL for their household size (remaining household members' income is not used in this calculation), all of the earned income of a PA recipient that is derived from participation in the following training or work activities is now exempt and must be disregarded by districts as income or resources in determining eligibility or budgeting level of PA benefits:

- Subsidized Employment;
- Work Experience;
- Job Search;
- Vocational Education;
- Secondary School;
- Job Skills Training;
- Educational Training;
- Job Readiness Training;
- Community Service; and
- On-the-Job Training.

All training activities must be district-approved work activity assignments consistent with the recipient's employment assessment and employment plan in order for the recipient to be eligible for the training income disregard. Eligible training providers may include all programs directly operated/contracted by districts, as well as programs funded by the Workforce Innovation and Opportunity Act (WIOA), colleges, and for-profit or non-profit organizations. Earned income from other activities may be subject to this exemption as well if the activity is determined to be a qualified work activity or training program by OTDA.

PA recipients participating in the Transitional Employment Advancement Program (TEAP) are not eligible for either the training income disregard or the one-time 100% employment income disregard. However, districts are encouraged to consider grant diversion as an option when doing so will help improve the PA recipient's employability as they complete an approved training program and advance toward greater economic security (for more information, see [09-ADM-11](#)). This may be helpful for recipients who may have already used their one-time 100% six-month employment disregard and need additional supports in obtaining sustained employment.

## One-Time 100% Employment Income Disregard Implications:

Once during the lifetime of a recipient's time on PA, districts shall disregard all of the individual's income earned from employment when determining eligibility or level of PA benefits, provided that such exemption shall be **for no more than six consecutive months from the first monthly or semi-monthly PA budget after the district receives proof of the income** and that the individual's overall total gross income shall not be more than 200% of the FPL for their household size. For the purposes of this policy, only the newly employed individual's income is compared to the FPL for their household size; the remaining household members' income is not used in this calculation. Any new job, including multiple new jobs gained during the six consecutive month period, will be eligible for the one-time 100% employment disregard provided that the individual's overall total gross income shall not be more than 200% of the FPL for their household size. Once initiated, the disregard period will follow the recipient if they move from one district to another, as long as the individual's total gross income does not exceed 200% of the FPL for their household size.

The six-month employment exemption only applies to new employment and cannot be applied retroactively to a job that started before December 29, 2023.

The six-month 100% employment income disregard period cannot be used nonconsecutively and if a recipient exits their employment during this time, even through no fault of their own, the period will continue to count down. If the individual is able to find a new job while the exemption period is still counting down, their income from that job would be given the disregard for however much of the six-month time period remains upon job entry, as long as the individual's total gross income does not exceed 200% of the FPL for their household size. Likewise, if the recipient were to receive a raise in income, more hours, or an additional job or jobs that resulted in the individual's income increasing to over 200% FPL for their household size during the course of the six months, they would no longer be eligible for the 100% disregard, though the period would continue to count down. Their full earnings would be budgeted using normal PA budgeting procedures once they became ineligible for the 100% disregard.

The six-month 100% disregard period for new employment applies once per lifetime of the individual, not once per household. More than one recipient on a case can participate in the disregard and have it applied to their new income at the same time or during overlapping periods. In addition, one individual can receive both the training and work activity income disregard and the one-time 100% employment income disregard at the same time as long as the individual's total gross income does not exceed 200% of the FPL for their household size.

## **V. Required Action**

### **Training and Work Activity Income Disregard**

When a PA recipient reports income from a qualified training or work activity, the district will first need to determine whether the program is a qualified activity for the income exemption (either from the list above, or with a written determination by OTDA). Then, if it is a qualified training or work activity, the district must determine whether the individual's total gross income is at or below 200% of the FPL for their household size. All training activities must be a district approved work activity assignment consistent with the recipient's employment assessment and employment plan (and consistent with the guidance above) in order for the recipient to be eligible for the training income disregard. The section on budgeting below contains a link to current Federal Poverty Guidelines and more information on how to apply them to calculate a recipient's eligibility for the training and work activity income disregard. The training and work activity income disregard is not subject to a once in a lifetime six-month limit.

Outlined below are several examples showing how the training income disregard is applied. For federal reporting purposes, "subsidized training" here refers to the activity Subsidized Employment.

#### ***Example - Initial Training Earnings***

John Smith is a PA recipient. On January 4, 2024, John starts a subsidized training program. John receives their first paycheck on January 18, 2024, which they report to the district on January 24, 2024. The district reviews John's income and determines that their income is at or below the 200% FPL for their household size and that the training is a qualified training. John's training income disregard begins in February 2024 the first monthly PA budget after the district receives proof of the income.

#### ***Example - Increased Training Earnings***

John has been working part-time at the subsidized training. On March 1, 2024, John begins working full-time in the subsidized training. John reports this to the district on March 8, 2024, and receives their first increased paycheck the same day. The district reevaluates John's eligibility for the training income disregard starting April 1, 2024. John's increased earnings are still at or below

the 200% FPL calculation for their household size, so they are able to continue receiving the training income disregard.

### **One-Time 100% Employment Income Disregard**

Eligibility for the one-time 100% employment income disregard should be determined when a PA recipient first provides proof of their income from a new job. If the total gross income of the recipient is at or below the 200% FPL for their household size, the individual is eligible for the six-month disregard if they had not previously received it. There is no minimum number of hours that a recipient must work to be eligible for the employment disregard. OTDA has created a “One-Time Six Month 100% Earned Income Disregard Information” sheet for districts to use that explains what the disregard is and provides some examples for how it is applied.

### **Financial Literacy and Case Management Follow Up**

As the six-month 100% employment disregard period is intended to help recipients strengthen their household’s financial stability prior to case closure and hopefully prevent the need for future assistance, it is important that case management and other supports be provided at this time. OTDA recommends regular case management check-ins with the recipient to discuss any supportive service needs or other concerns with their job that may arise, and which the district can assist with, to prevent job loss. In addition, OTDA strongly recommends that districts provide recipients who receive the one-time 100% employment disregard with referrals to available financial literacy information/training. A strong foundation with budgeting, money management and establishing financial goals, as well as education regarding credit scores, banking and financial services is critical in supporting the recipient’s long-term economic success.

### **Beginning the Six-Month Employment Disregard Period**

For the one-time 100% employment disregard, the six consecutive months begins with the first monthly or semi-monthly PA budget after the recipient submits their first paystub, or other documentation verifying their income. Once the income is verified the one-time 100% employment disregard will be tracked beginning with the next monthly or semi-monthly budget.

**The amount of the income excluded for PA due to either the training disregard or one-time 100% employment disregard MUST NOT be excluded as income for the Supplemental Nutrition Assistance Program (SNAP). See VII below for more information regarding SNAP.**

OTDA is working on system enhancements to assist districts with budgeting, tracking, and notices. The following steps are an interim solution until systems enhancements can be developed.

### **Calculating the 200% FPL Threshold Upstate– INTERIM PROCESS**

**Step 1:** To determine if a PA recipient’s income is at or below the 200% FPL for their household size, the eligibility worker will need to add the individual’s gross earned income and the gross unearned income together (including otherwise exempt income) to determine the amount of the individual’s total gross earned and unearned income.

**Step 2:** Compare the PA recipient’s total gross earned and unearned income to the current 200% Federal Poverty Level Chart for the household size. The current 2023-24 chart is located here: [23 TA/DC016 – 200% of Poverty Income Standards Chart June 1 2023 through May 31 2024 \(ny.gov\)](https://www.ny.gov/23-TA/DC016-200%ofPovertyIncomeStandardsChartJune12023throughMay312024)

**Step 3:** If the individual’s total gross earned and unearned income is at or below the 200% FPL for the household size:



- The earned income from employment or paid training, depending on which disregard is being applied, is not entered on the PA Budget associated with the case.
- The earned income is added on the FS INPUT Screen after the case's PA Budget is calculated and stored.
- On the FS INPUT screen, use either Earned Income Source Code '01 – Salaries and Wages' for employment income or '30 – Training Allowance (FS Only)' for training income, depending on which disregard is being claimed.

If the individual's total gross earned and unearned income is above the 200% FPL for their household size:

- The employment or paid training income should be budgeted on the case's PA Budget with the appropriate "Disregard Indicator" of '2-Calculate with Disregard' and the "Work Disregard Indicator" of 'F – Full Time' or 'P – Part Time', if appropriate.
- The district should then take appropriate action depending on whether the case's '05 – Change' Budget yields a 'S – Surplus' or 'D – Deficit'.

Additional notes for the Upstate process:

- The district must document in the case record how they determined that the PA recipient's total gross income was at or below the 200% FPL for their household size. This includes documentation of the recipient's earned and unearned income as well as the 200% FPL household size used in the calculation.
- For households eligible for the 100% EID, a manual notice must be provided, explaining that the employment income is EXEMPT for PA budgeting purposes for a period of six months but both the employment income or training income is countable earned income for SNAP budgeting purposes.

## Calculating the 200% FPL Threshold for New York City – INTERIM PROCESS

**Step 1:** Consult the 200% Federal Poverty Level Chart (*figures for 06/01/23 to 05/31/24 can be found here: [23 TA/DC016 - 200% of Poverty Income Standards Chart June 1 2023 through May 31 2024 \(ny.gov\)](#)*) to determine the 200% standard for the household size. HRA has a worksheet used for the purpose of determining the 200% standard for the household size; this worksheet should be stored in the case record for documentation purposes.

**Step 2:** Determine the individual's eligibility for the 100% EID.

The total gross income (all earned and unearned income) belonging to the individual who is eligible for the 100% EID program must be compared against the 200% Poverty Income Standard for the *total household size* of the case. As noted above, HRA has a worksheet used for the purpose of determining the 200% standard for the household size; this worksheet should be stored in the case record for documentation purposes.

### PASS

- If the individual's total gross income is at or below the 200% FPL standard for the household size, then the individual is eligible for the 100% EID.
- Create a new budget for the case and enter the earned income with the individual on the NSBL06 screen using Program Indicator 'F'. This will ensure that the income is counted for SNAP only and disregarded for PA. (Only enter Program Indicator 'F' with the training income or new job income that is intended to be used for the 100% EID program. Any other income must be budgeted per current budgeting methodologies.)
  - Use income source code '01 – Salary, Wages' for those individuals are eligible for the one-time consecutive six-month EID.

- Use income source code '02 – On the Job Training' for individuals in receipt of training/internship income.
- *The income source codes mentioned are subject to change. Additional guidance will be provided if changes are made.*
- The worker should make appropriate case notes indicating all actions taken on the case.

### FAIL

- If the individual's total gross income is above the 200% standard for the household size, then the individual is ineligible for the 100% EID.
- Create a new budget for the case and enter the earned income associated with the individual on the NSBL06 screen using Program Indicator 'B'. The income is not eligible for the 100% EID and must be counted towards both PA and SNAP.
- The worker should make appropriate case notes indicating all actions taken on the case.

### **Additional Notes for the Upstate/NYC Interim Process:**

- Workers should apply the one-time six month 100% EID to all PA recipients that report new employment after 12/29/23 (if not previously received).
- For households eligible for the 100% EID, a manual notice should be prepared explaining that the employment income is EXEMPT for PA budgeting purposes for a period of six months but both the employment income or training income is countable earned income for SNAP budgeting purposes.
- The increased PA income (resulting from a higher PA grant amount) and the fact that the employment or training income must be countable for SNAP may result in excess income (ineligibility) for SNAP benefits; particularly for household sizes of three or more people.

### **Tracking– INTERIM PROCESS**

For Upstate districts, tracking is to be accomplished during the interim period by using the Anticipated Future Action (AFA) Code '999' (Other) for the Line Number (Individual) with the disregarded employment or paid training income and the TO DATE (last day) of the six-month period that the employment income is to be disregarded on the PA Budget.

For New York City, HRA is responsible for tracking all individuals in receipt of the 100% EID and/or the training income disregard. HRA should maintain a file of all individuals who are participating in one of the 100% EID programs. **This file will be requested by OTDA once system changes are made in order to properly identify recipients of either program and to enter this information into WMS.** The file should contain:

- The Client Identification Numbers (CINs)
- The active case number associated with each CIN
- The disregard program being utilized (the one-time six month 100% EID, the training income 100% EID, or both)
- The date the budget was authorized
- The date the six-month period is over for the employment disregard

If a PA recipient moves to a new district during the period when they are in receipt of the one-time 100% employment income disregard, the new district is responsible for determining how much of the six-month period has already elapsed, tracking for the time that remains and budgeting accordingly for that time. Districts should incorporate questions into the eligibility interview indicating whether the individual currently or previously received the disregard in another district and for how long. Districts are required to investigate whether a PA recipient was in receipt of the one-time 100% employment income disregard in other districts within New York State. If an

individual has previously used the entire six-month disregard in another district at any point in their lifetime, they are ineligible to receive it again in a new district.

### **Interim Notification of the One-Time 100% Employment and Training Income Disregards**

For active PA cases where either the training income disregard or one-time employment income disregard is being applied, the appropriate manual notice of LDSS-4014A, LDSS- 4015A or LDSS-4016A must be provided, including an explanation that the income from new employment or approved training or work activity is exempt for PA budgeting. OTDA is making updates to these manual notices to add the following statement with a checkbox, which must be selected when notifying a recipient that one of the disregards was applied to their budget:

*Your earnings from a new job, or a paid training or work activity are not being counted against your Public Assistance benefit. If you started a new job, for a one-time period of up to six months in a row, 100% of your income from a new job won't be counted against your Public Assistance benefit. Any income earned from participating in an eligible paid training or work activity is not counted against your Public Assistance benefit.*

OTDA is also adding the following statement to the LDSS-4014A, LDSS- 4015A and LDSS-4016A to notify the recipient when either the training income disregard or one-time employment income disregard ends. The box next to this statement should be checked if either the recipient's total gross income goes above the 200% FPL for the case size or if the PA recipient has reached the end of their disregard period for the employment disregard:

*Your earnings from either a new job, or a paid training or work activity are now used in your Public Assistance benefit calculations. This is either because your earnings have increased above 200% of the federal poverty level for your household size; you are no longer in paid training; or, because you have reached the end of the one-time six-month period for the employment disregard.*

OTDA is also adding the following statement to the LDSS-4014B, LDSS- 4015B and LDSS-4016B to notify the recipient of the impact the training income disregard or one-time employment income disregard may have on the SNAP budget. The box next to this statement should be checked when notifying the recipient of a change in their benefit resulting from either the training income disregard or the one-time employment income disregard:

*Your earnings from a new job, or a paid training or work activity are not being counted against your Public Assistance benefit. This income is still being counted against your SNAP benefits; therefore your SNAP benefits might go down or might stop.*

It is important to note that the worker will also need to check the appropriate checkbox such as Continue, Reduce or Discontinue in addition to checking the appropriate checkbox related to the disregard. The worker will also need to include the appropriate regulatory citations regarding the case actions taken on the recipient's case.

## **VI. Systems Implications**

The above process is an interim solution until systems support can be developed to assist districts with implementation of these new disregards. Districts are required to process cases as directed above until additional system enhancements are deployed.

## **VII. Additional Information**

### **A. Approval to Operate**



Districts planning to implement new training programs including subsidized public or private sector employment programs should include these activities in their Biennial Employment Plan and indicate the household/case types to which the program will be made available.

## **B. Supplemental Nutrition Assistance Program (SNAP) Implications**

The income disregard provisions outlined in this ADM only impact PA budgeting and do not apply to the SNAP portion of a PA/SNAP case or to non-public assistance (NPA) SNAP cases. Therefore, all countable gross income must be determined and included in the SNAP budgeting process. SNAP households will continue to receive a 20% Earned Income Disregard from their gross earned income, which is intended to compensate for work-related expenses, union dues, taxes, transportation and other expenses. The PA grant, and increased income from either the one-time 100% employment income disregard or training income disregard, must both be counted in full in the SNAP budget and, in some cases, may cause the SNAP portion of the case to close due to excess income.

Households where all members are in receipt of either Supplemental Security Income (SSI) or TANF-funded PA benefits are categorically eligible for SNAP and are not subject to a resource or Net Income Test for SNAP, having already passed these tests for receipt of PA. Households of one or two people who meet the categorical eligibility standards are automatically eligible for the minimum SNAP benefit for a household of one or two. There is no such standard for households of more than two individuals, and so the benefit calculation for a household of more than two people can yield a benefit of \$0. This is why it is possible to be “categorically eligible” for \$0 in SNAP benefits (and therefore ineligible for SNAP).

## **C. Transitional Benefit Alternative (TBA) Implications**

The TBA freezes SNAP benefits at the pre-FA closing amount or higher. To implement TBA for closing FA cases (case type 11) and SNA-FP (case type 12), districts need to either:

- Preserve or extend the SNAP certification period to allow for a five-month extension; or
- Extend the SNAP certification period beyond the twelve-month limit imposed on most cases.

Households ineligible for SNAP due to the increased income are not eligible for TBA benefits when the SNAP portion of their case closes. Households of three or more who are categorically eligible for \$0 in SNAP benefits would not receive TBA. Households who are still eligible for a SNAP benefit would continue to receive SNAP at the pre-closing amount for a five-month period. The household is not required to report any changes in their household circumstances during that period. Should the household report changes that would increase their SNAP budget, those changes should be acted upon. Once the TBA case closes, the household can reapply for SNAP following normal SNAP procedures.

## **D. Home Energy Assistance Program (HEAP) Implications**

Households in receipt of ongoing PA or SNAP are categorically income eligible for HEAP. Neither the training income disregard nor the one-time employment income disregard would affect the HEAP grant the categorically income eligible household would receive. Provided these households are receiving an ongoing PA benefit, they would be eligible for Tier I HEAP regardless of the income amount stored in the budget. Even though the HEAP Household will remain Tier I, the worker should manually add in the Line Number, Frequency and Amount of the employment or paid training that was left off the PA Budget. This income is countable for HEAP budgeting and will affect the ABEL calculated Income Code.

## **E. Child Care Implications**

A parent/caretaker relative receiving either the training income or the one-time employment income disregard would be considered participating in a PA work program and would potentially be eligible for guaranteed child care assistance throughout the disregard period. Income eligibility for child care assistance is currently 85% of the State Median Income (SMI) for the household size. In most cases, this amount is higher than 200% FPL and the recipient would therefore be above the eligibility threshold for either disregard before the reaching the income limit for eligibility for child care assistance. However, for households of 13 or more, 200% FPL is higher than 85% of the SMI. Thus, those families would become ineligible for child care assistance despite being income eligible for the training income or one-time employment income disregard.

If the parent/caretaker relative is no longer eligible for either disregard and their PA case closes due to an increase in earned income or child support, they may be eligible for Transitional Child Care. The district must determine the family's eligibility for Transitional Child Care before closing the PA case. If the parent/caretaker relative remains employed but is no longer eligible for either disregard and remains on PA, they may continue to be eligible for the child care guarantee if they choose to close the PA case and elect to receive a child care guarantee in lieu of PA. Workers should discuss with the parent/caretaker relative the various options for a child care guarantee. Information regarding acceptance of a child care guarantee in lieu of PA was sent to all Districts via a Dear Commissioner letter dated October 3, 2007.

## **F. Medical Assistance (MA) Implications**

PA recipients with either the training income or the one-time employment income disregard would remain eligible for MA.

## **G. Child Support Cooperation Standard Under An Assignment**

Because the PA case remains open during the income disregard period, the PA family continues under an assignment of support rights and is required to cooperate with the Child Support program to establish paternity and establish, modify, and enforce orders of support consistent with other open PA cases.

## **H. Pass-through Payments, Disregard and Excess Support**

A PA family receiving either the training disregard or one-time employment disregard is eligible to receive a pass-through support payment which is disregarded from the PA budget to the same extent as any other PA household. Currently, up to the first \$200 of current support collected each month by the child support enforcement program is passed through to the family and disregarded when determining the PA budget. Additionally, up to the first \$200 in payments toward support which are made directly to the family outside of the Child Support enforcement program are disregarded in the same manner when determining the PA budget.

The pass-through payment and associated disregard will continue in an amount up to the first \$100 of current support collected each month for a PA family with one child and an amount up to the first \$200 of current support collected each month for a PA family with two or more children.

## **I. Case Level Ineligibility vs. Sanctions**

For a recipient of either the training or one-time employment disregard, acceptance of, and continued participation in, training, subsidized employment or unsubsidized employment are subject to the same case actions/sanctions as any other activity or employment opportunity.

- Case Level Ineligibility (Bona Fide Job Offer – [04 INF-19](#)):

When a PA recipient has received a bona fide job offer in a subsidized public or private sector job or in unsubsidized employment, the recipient's refusal to accept the bona fide job offer without good cause will result in the PA case closing since the recipient is refusing an available resource that can reduce or end the recipient's (and family's) need for PA.

An offer of a job can be only viewed as a resource when it is a valid offer of employment. A valid offer of employment exists when an employer or social services official advises a recipient that he or she will be able to start work at a specific job. The essential details of the job must be provided, including the employer's name, the job title for the offered job, the general duties, hours, rate of pay and approximate start date. Job offers that meet these criteria and are offered at initial eligibility determination, recertification, or through a specific call-in for the job offer are an available resource. Refusal by a recipient to accept a valid job offer is a refusal to use an available resource, a condition of eligibility that results in the entire case being closed.

Districts must ensure that their staff does not confuse a job referral with a valid offer of employment. Employment staff routinely make job referrals to employers where no definite job opportunity exists for the person being referred. For example, there may be an actual job opening, but the employer will interview applicants before hiring. The employer could also be taking applications or simply doing interviews for a possible future job opening. A job referral is only an opportunity to apply for a job and cannot be considered a viable resource for the individual being referred. A recipient's failure to accept a job referral or report for a job interview is an issue of employment noncompliance and subject to employment regulations (pro-rata sanctions for recipients).

- Sanctions:

During the first five (5) days in which the participant retains the job, a voluntary job quit or client-caused discharge is treated as failure to meet an eligibility requirement and the case should be closed. Applications filed subsequent to such case closings should be denied within the 90-day timeframe. If the participant voluntarily quits the job after the fifth day, the job quit is treated as an incident of employment noncompliance in a manner consistent with 18 NYCRR 385.13. After the fifth day, the participant is treated as any other PA recipient who willfully and without good cause voluntarily terminates employment for the purposes of qualifying for an increase in assistance.

A PA recipient who willfully and without good cause voluntarily terminates employment is subject to conciliation and sanction in the same way as a PA recipient who fails to comply with a work activity assignment. If, after the conciliation process has ended, the district determines that the recipient voluntarily quit employment, a 10-day sanction notice referencing 18 NYCRR 385.13(a) is issued. Voluntary quit sanctions for recipients are the same as those for noncompliance with work activities and are included when determining which duration of sanction to use [see 385.12(d)].

- Failure To Report Income Timely:  
Individuals that fail to timely report income from a new job may still receive the one-time 100% six-month employment disregard. However, the district must calculate a PA overpayment for the untimely report as outlined in 01-ADM-13 and 11-ADM-02. For example:

Karen Johnson starts a job and receives their 1st paycheck on May 9th. Karen does not report this to the district until June 15th. The district calculates an overpayment for May and June based on actual May and June income. When calculating the overpayment, the district determines the amount of overpayment **without application of the work income disregard and the earned income disregard deductions for May and June**. Karen can receive the one-time 100% six-month employment disregard **beginning July**.

- **SNAP Implications for Failure to Comply:**

Individuals participating in a paid training or work activity are considered employed for SNAP purposes. Voluntary quit and sanction provisions apply if the participant voluntarily terminates their participation. For SNAP purposes, the term “voluntary quit” applies to an applicant or recipient who leaves employment of 30 hours or more per week, or who reduces their work effort willfully and without good cause and after the reduction, is working less than 30 hours per week or is earning less than 30 hours times the federal minimum wage.

However, a nonexempt individual who refuses or fails willfully and without good cause to comply with a mandatory SNAP E&T work requirement (e.g., failed without good cause to begin participation in training) is subject to a durational sanction in accordance with 385.12(e) and will be considered an ineligible household member during the sanction period. The needs of an individual who is non-exempt from SNAP E&T, and who has failed willfully and without good cause to comply with SNAP E&T work requirements, will not be considered in determining the needs of their household for SNAP. At the end of the sanction period, an individual may begin to receive SNAP again if they apply and are determined by the district to be in compliance with work requirements. Eligibility may be reestablished during the sanction period if the household requests that the disqualified individual be added to the case and this individual becomes exempt from SNAP E&T work requirements.

## **J. Aid Continuing**

In the event a recipient loses eligibility for either disregard, requests a fair hearing based on the notification of a grant reduction due to the budgeting of wages and receives aid continuing, the PA grant should be restored to the full grant amount based on the re-application of the disregard and the recipient’s current circumstances.

Whether aid continuing will be recovered or not depends on the district’s action that the recipient is challenging at the fair hearing. If the individual is challenging the budgeting methodology used to calculate the budget, the amount that represents the aid continuing is subject to recovery provided that the district is upheld at fair hearing. If the individual is challenging the imposition of a sanction for employment non-cooperation, the aid continuing is NOT subject to recovery. Rather, if the district is upheld, the sanction is imposed prospectively.

## **K. One-Time Six-Month 100% Earned Income Disregard Information Sheet**

To help explain how the disregard works, the rules for eligibility and how it would apply in various example scenarios, OTDA developed a One-Time Six Month 100% Earned Income Disregard Information Sheet LDSS-5256(see Attachment1). District staff should review the content of the form with the recipient when they are discussing their budget.

## **L. Federal Participation Rate Reporting Requirements**

Districts should report hours of employment consistent with rules for all paid employment (see [21-ADM-04](#) for the latest guidance) with one notable exception:

The current reporting logic for the participation rate uses hours of employment based upon either Automated Budgeting and Eligibility Logic (ABEL) or Welfare-To-Work Caseload Management System (WTWCMS) entries, whichever is most recent, as determined by the “from date” of the Temporary Assistance budget or WTWCMS schedule.

For PA Recipients who receive SNAP, hours worked per pay period should be entered when manually entering the '01 – Salaries and Wages' entry for employment disregard or '30 – Training Allowance (FS Only)' for paid training. It is important to note that for individuals in receipt of the one-time 100% employment disregard, the hours of employment **will not be entered** in ABEL during the interim implementation period. Therefore, it is critical for the Upstate districts to enter the hours of paid employment into WTWCMS as soon as the information has been verified. Hours of paid employment for recipients in New York City will be based on the information verified and reported by the Human Resources Administration (HRA), including information entered on Self Sufficiency Employment Assessment and Management System (SEAMS) or other systems used by HRA.

Consistent with current policy, districts are permitted to project actual hours of paid employment for up to six months. If changes are reported, and are expected to continue, districts are required to recalculate the number of hours of work that are reported in a timely manner, using the newly projected schedule for up to six months.

#### **M. Forms Ordering Information**

- The English version of the LDSS-5256: “One-Time Six Month 100% Earned Income Disregard Information” is a Web Only form. This form is also available on the OTDA Intranet website in the following languages: Arabic, Bengali, Chinese, Haitian-Creole, Italian, Korean, Polish, Russian, Spanish, Urdu, and Yiddish.
- To access the English and other than English languages go to the OTDA Intranet website at: [http://otda.state.nyenet/ldss\\_eforms/default.htm](http://otda.state.nyenet/ldss_eforms/default.htm).
- The above referenced forms have been posted on the OTDA Intranet website at [http://otda.state.nyenet/ldss\\_eforms/default.htm](http://otda.state.nyenet/ldss_eforms/default.htm) and are available for downloading by local districts for reproduction locally.
- These documents are Web posted only forms; therefore, they are only available online and are not available in hard copy from the New York State Office of Temporary and Disability Assistance (OTDA).
- Questions concerning Web posted only forms should be directed to BMS Document Services at (518) 474-9522.

#### **VIII. Effective Date**

December 29, 2023



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**Issued By:**

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**Title:** Deputy Commissioner

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