



Office of Temporary and Disability Assistance

KATHY HOCHUL
Governor

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Acting Commissioner

Administrative Directive Memorandum

Section 1

Transmittal:	24-ADM-02
To:	Social Services District Commissioners
Issuing Division/Office:	Employment and Income Support Programs
Date:	January 16, 2024
Subject:	Direct Cash Transfer Pilot Programs
Suggested Distribution:	Temporary Assistance Directors SNAP Directors HEAP Coordinators Staff Development Coordinators Employment Coordinators WMS Coordinators Fair Hearings Staff Medicaid Staff
Contact Person(s):	Temporary Assistance Bureau: (518) 474-9344 or tabureau@otda.ny.gov SNAP Bureau: (518) 473-1469 or otda.sm.cees.snap@otda.ny.gov HEAP Bureau: (518) 473-0332 or NYSHEAP@otda.ny.gov
Attachments:	None

Filing References

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
		18 NYCRR § 300.11 18 NYCRR § 352.16	Social Services Law (SSL) § 36-a SSL § 131-a		

Section 2

I. Summary

The purpose of this Administrative Directive Memorandum (ADM) is to advise Social Services Districts (districts) that on December 23, 2022, Governor Hochul signed Chapter 749 of the Laws of 2022 and on March 24, 2023, Governor Hochul signed Chapter 118 of the Laws of 2023. These laws require that districts exempt certain income and resources provided to persons enrolled in certain direct cash transfer (DCT) pilot programs in determining eligibility for Public Assistance (PA) benefits. This ADM also addresses implications related to the ability to exempt these funds for the Supplemental Nutrition Assistance Program (SNAP) and Home Energy Assistance Program

(HEAP). Chapter 118 of the Laws of 2023 and Chapter 749 of the Laws of 2022 went into effect on March 24, 2023, and will expire six (6) years after such effective date.

II. Purpose

This ADM provides guidance to districts regarding the overall requirements for DCT pilot projects where exemptions to certain income and resources are sought, as well as instructions for submitting DCT proposals to the Office of Temporary and Disability Assistance (OTDA) for approval.

III. Background

Historically, any unrestricted cash income that was received by a PA applicant/recipient which was not earmarked for a specific purpose or specifically exempted in statute or Office Regulations was considered countable income for PA purposes.

Chapter 749 of the Laws of 2022 amended paragraph (a) of subdivision 8 of SSL §131-a to add subparagraph (xi) which indicates that financial assistance received as part of an individual's participation in an approved DCT pilot program shall be exempt and disregarded as income and resources for PA applicants/recipients. Chapter 118 of the Laws of 2023 modifies Chapter 749 of the Laws of 2022, requiring OTDA to seek waivers, when necessary, in order to exempt these monies for the purpose of SNAP eligibility determination.

IV. Program Implications

As a result of these amendments, New York State (NYS) agencies and districts may request to conduct, sponsor, or participate in pilot programs that offer DCTs to participants and request that the DCT be exempted as income and resources for applicants/recipients of PA benefits.

Pursuant to the new requirements established pursuant to SSL §131-a(8)(a)(xi), a DCT may be exempted and disregarded for purposes of PA under an approved pilot program. To be eligible for consideration and approval by OTDA, DCT pilot programs must foremost be developed to evaluate the impact and potential benefits of participation in such a program.

For SNAP eligibility purposes, payments may be excluded as income under 7 USC 2014(d)(18) and 7 CFR 273.9(c)(19). Under the simplified definition of income option described in the aforementioned statute and regulation, a state may exclude as income any type of income which it excludes in its Temporary Assistance for Needy Families (TANF) program. The payments must also meet the additional requirement that they are sourced solely from private funds or a mix of private and public funds in order to be excluded as income for SNAP purposes. Therefore, cash payments may be excluded under 7 CFR 273.9(c)(19) for SNAP purposes if both of these criteria are met: (1) The State also excludes those payments for TANF purposes **and** (2) the payments are not exclusively funded with public monies. Documentation on the payment source will be required to satisfy this condition.

The broad-based categorical SNAP eligibility rules described in [07-ADM-09](#) are still in effect and the payments would be a resource in the month received. However, most applicant and recipient SNAP households are no longer subject to a resource test. Households still subject to the SNAP resource test are households containing individuals who are sanctioned or disqualified from participation in SNAP, and households containing individuals with an aged or disabled member and income in excess of 200% of the federal poverty limit.

For HEAP, DCT payments may be excluded as countable income when determining eligibility for Regular HEAP, Emergency, Heating Equipment Repair and Replacement (HERR), Heating Equipment Clean and Tune (C&T), and Cooling Assistance benefits. These payments will be excluded from the HEAP household's income and must not be counted in the HEAP budget. Any

remaining balance from these payments are not considered a liquid resource for the Emergency and HERR benefit components.

V. Required Action

If a NYS agency or district wishes to conduct, sponsor, or participate in a DCT pilot project and want such payments to be excluded as income for PA, SNAP and/or HEAP benefits, they must submit a written request to OTDA at tabureau@otda.ny.gov. OTDA will review and evaluate DCT proposals for approval as pilot programs in accordance with SSL § 36-a and 18 NYCRR § 300.11. It is important to note that there must be county or state participation in order for OTDA to approve these programs and the associated benefit exemption. As such, entities who reach out to OTDA directly may be directed back to the district to pursue local participation in a DCT pilot.

The pilot program proposal must specify which assistance program waivers are being requested (i.e., PA, SNAP and/or HEAP) and must include a narrative description from either the district/agency sponsor or a research partner that fully explains the project including clear research questions, target population, recruiting methods, benefit counselling, deliverables, partners, funding sources and timelines. Research questions can be about either the implementation of the pilot or hypothesized outcomes, or both. If the research questions include questions about outcomes, the project proposal must include a comparison (control) group and a description of methods for measuring each outcome for both the comparison (control) group and the group that is offered the DCT payments (treatment group).

DCT pilots may be up to 60 months in duration but regardless of the start date of the pilot may not be extended beyond March 24, 2029, in order for the district to be able to exclude the DCT payments for eligibility and recertification determinations. If additional funding is received prior to the 60-month limit, to expand the capacity or extend the duration of an OTDA-approved pilot project, an updated plan must be submitted to OTDA for review and approval. A determination regarding whether a new waiver request is required will be made based on the extent to which anticipated changes impact the scope of the previously approved pilot project. If new funding is received and the district does not want to extend the benefit for the existing pilot project in favor of designing a new DCT pilot, a new waiver request would be required.

Upon approval by OTDA and implementation of the pilot program, NYS agencies or districts must provide OTDA with monthly reports of the pilot program's progress. Upon completion of the pilot program, NYS agencies or districts must provide OTDA a final summation of the project, listing its key activities; a report of project results, findings, or recommendations; and a statement assessing the fiscal effects of the pilot program.

VI. Systems Implications

None

VII. Additional Information (Optional)

None

VIII. Effective Date

March 24, 2023

Issued By:

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