

**Questions and Answers Regarding the Implementation of
Administrative Directive 23-ADM-10:
New Earned Income Disregard Measures Authorized in the 2023-24
State Budget**

I. BUDGETING AND TRACKING

1. **Question: Can individuals receive the 100% disregard for training income and the one-time six month 100% disregard for employment income at the same time?**

Response: Yes. If a Public Assistance (PA) recipient is participating in a paid training activity and simultaneously starting new employment, they would have 100% of both incomes disregarded, provided that the individual's total gross income does not exceed 200% of the Federal Poverty Level (FPL) for their household size. If the total gross income were to exceed 200% FPL, the individual would not be eligible for either disregard. It is important to note that while the 100% employment disregard is limited to a period of six consecutive months once per the recipient's lifetime, there is currently no time limit on the 100% training income disregard or restrictions on the number of times it can be applied.

2. **Question: When does the one-time six month 100% income disregard go into effect on the PA budget after a recipient is determined eligible?**

Response: The six consecutive months in the disregard period begin counting down with the first monthly or semi-monthly PA budget after the recipient submits proof of their income. It is also important to remember that, during the interim period before systems support for budgeting is implemented, the disregarded income is **not** entered into the PA budget.

3. **Question: How will the one-time six month period for the 100% disregard on new employment be tracked? What if the client has moved from another district?**

Response: The Office of Temporary and Disability Assistance (OTDA) is working on system enhancements that will assist districts with tracking the use of the 100% disregard. During the interim period before system tracking is available, it will be incumbent upon districts to keep track manually of their clients' use of the disregard. When a PA recipient moves in from another district, the new district must determine if any of the six month period has already elapsed and apply the time that remains.

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.

4. **Question: How should a district determine if income from a particular program or source (i.e. Summer Youth Employment Program, student income, etc.) should be counted when determining the 200% FPL eligibility threshold for the household size?**

Response: If the income source is normally exempt when determining the amount of the PA grant, then the income source would not count towards the 200% FPL threshold. If the income source is normally counted when determining the amount of the PA grant, then it would count towards 200% FPL for the household size.

II. ELIGIBILITY

5. **Question: If the recipient does not report their new income in a timely manner- for example, if they have been working for two months and don't report to the district until the third month- would they be eligible for the one-time six month disregard?**

Response: Individuals who fail to make a timely report of income from a new job may still receive the one-time six month employment disregard as long as they are otherwise income eligible, and the job started after December 29, 2023. The district would apply the disregard for the next six consecutive months beginning with the first monthly or semi-monthly budget after proof of income was received. At the same time, the district would also calculate an overpayment for the amount of time the income went unreported based on the actual income, without application of the work income disregard and the earned income disregard deductions. The district would begin recouping the overpayment from the recipient's PA benefit as soon as they have finished calculating the overpayment amount.

6. **Question: What happens if a client loses their job through no fault of their own during the one-time six month disregard period?**

Response: If a recipient exits their employment during this time, even through no fault of their own, the disregard period will continue to count down. If the recipient is able to find a new job while the disregard 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 income does not exceed 200% of the FPL for their household size.

7. **Question: A PA recipient is receiving the one-time six month employment EID and becomes ineligible during this period due to their income increasing above 200% FPL. If their case closes but their income later falls back below the 200% FPL, can they reapply and continue to receive the 100% earned income disregard if they are still within the original six month period?**

Response: Yes, however the loss of or reduction in income must be investigated to determine if the individual quit or reduced their earnings to qualify for initial or increased PA or SNAP benefits. See question 13 below and Section VII(I.) of [23 ADM-10](#) for further information.

8. **Question: If an individual receiving the one-time six month income disregard is hired at an additional new job during the disregard period, would the income from that job be disregarded as well? What if they had a job before the 100% EID went into effect on December 29, 2023 and started another job afterwards?**

Response: Any new job started after December 29, 2023, including multiple new jobs gained during the six consecutive month period, are 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. If the recipient started a job before December 29, 2023, and later gets another, the income from the first job would

not be eligible for the one-time employment income disregard because it started before the statute went into effect. If the individual's total gross income (from both jobs) is below 200% of the Federal Poverty Level for their household size, the income from the second job would be eligible for the disregard. The earnings from the first job would continue to be applied to the budget as they normally would.

9. **Question: The one-time six month employment exemption can only be applied to new employment and cannot be applied retroactively to a job that started before December 29, 2023. What if the recipient started the job just before this date but did not receive their first paycheck until after?**

Response: The legislation that established this new one-time employment disregard and the ADM guidance specifies that in order to qualify as “new employment” under the statute, the initial start date of the job, and not the date of receipt of first earnings, has to be on or after the statute takes effect, which was December 29th, 2023.

10. **Question: The ADM defines a PA recipient 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.” Would an individual be considered a “recipient” for the purpose of applying the one-time 100% employment EID if they were to start a new job after the application process is complete but before the case has been opened by the district? For example- the client applies for assistance 1/3/24. They finish turning in all of their necessary paperwork on 1/8/24, including proof they got a job that started 1/6/24. However, the district doesn’t process the application and officially open the case until 1/15/24.**

Response: If all of the client’s documentation has been submitted, including proof of income, and the district is aware that the household is eligible for PA, the client would be considered a “recipient” for the purpose of the EID even if the district hasn’t finished processing the case for opening. In the scenario above, the job would be eligible for the one-time 100% EID. Please see [03-INF-27](#) for additional information regarding how to calculate the date of eligibility for PA.

11. **Question: If an individual who got a job and is eligible for the one-time employment disregard requests to have their case closed, at what point would they need to make the request so that the case closes before the disregard is applied?**

Response: Closing the case would only prevent the one-time employment income disregard from going into effect if the closure takes place before the notice is sent informing the recipient they are receiving the 100% six month EID.

12. **Question: How should districts apply the one-time six month EID to income from self-employment?**

Response: The legislation establishing the one-time 100% EID for new employment does not differentiate between types of employment. Verified income from self-employment that started after December 29, 2023 and does not put the recipient's total income over the 200% FPL threshold is eligible for the six month disregard. Districts should refer to [95-INF-33](#) for guidance on verifying and calculating self-employment income.

III. SANCTIONS AND OVER/UNDERPAYMENTS

13. **Question: If a recipient quits their job while getting the one-time six month disregard, can a sanction be imposed?**

Response: Yes; see the section “**Case Level Ineligibility vs. Sanctions**” on Page 11 of [23 ADM-10](#) for further details on this topic. 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. 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 receiving the disregard 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.

14. **Question: What is the procedure when a PA recipient who is receiving the one-time six month disregard gets sanctioned?**

Response: Recipients who are working part-time but receiving the six month 100% employment disregard can be assigned activities in addition to their employment and would be subject to conciliation and potential sanction the same as any other client should they fail to comply. In general, PA recipients who are working full-time would be in compliance and should not be sanctioned. If the recipient calls for a fair hearing and qualifies for Aid to Continue, their budget would remain the same until a determination is made and they would continue to get the disregard. If the sanction goes into effect but does not close the case, the recipient would likewise continue to have the disregard applied to their budget. If the case closes due to sanction, the recipient would no longer be a PA recipient and therefore no longer eligible for the disregard. However, their six month disregard period would continue to count down, meaning that if the case happens to reopen while time still remains and the recipient still has employment income that is eligible for the disregard, they would have it applied in their budget for the remaining months.

15. **Question: Can a recipient get Fair Hearing Aid to Continue (ATC) when the one-time disregard period ends from the six months expiring or their income increasing above 200% FPL?**

Response: Yes, but if the district's position is upheld at the hearing, the district can pursue an overpayment for the ATC received.

16. **Question: What happens if a recipient's job is eligible for the one-time 100% EID but the district mistakenly enters their income into the TA budget, resulting in a lower grant?**

Response: Once the district becomes aware of the error, they would have to calculate an underpayment for however many months the budget incorrectly factored in income that was eligible for the 100% EID and should have been disregarded. The start date for the six consecutive months of the recipient's one-time 100% EID would still be the first monthly or semi-monthly TA budget after the recipient originally submitted their proof of income. The district would determine how many months remain of the six consecutive month time frame and administer the 100% EID for the remaining months (i.e., if a district discovers that, due to their error, a recipient's 100% EID should have started two months ago, they would calculate and issue an underpayment for those two months and subsequently apply the 100% EID disregard for the next *four* months). In this scenario, the district would enter CNS Individual Reason code M41 effective for the remaining 100% EID period. The district would have to suppress the CNS notice for this code and use the appropriate manual notice.

Recipients also have the right to request a Fair Hearing (FH) or an agency conference from the district if they feel they were entitled to a 100% EID they did not receive. Districts are encouraged to use agency conferences to settle disputes and complaints concerning actions regarding a recipient's TA, in order to eliminate the need to hold a FH wherever the dispute can be resolved by scrutiny of documents and/or thorough investigation.

IV. REPORTING AND EMPLOYMENT & TRAINING ACTIVITIES

17. **Question: How should districts navigate reporting the disregarded employment activity when it comes to participation rates?**

Response: During the period without systems support when a client starts either of the new earned income disregards, a worker will have to create an activity in Welfare to Work Case Management System (WTWCMS), either for subsidized or unsubsidized employment or another category of paid employment, with the appropriate number of hours so that the activity can count toward the participation rate. It is very important that this gets entered for participation as any other activity would. District Eligibility and Employment units should closely coordinate on application of the disregard.

18. **Question: Are districts required to request current wage information from recipients upon the end of the one-time six month 100% employment income disregard period?**

Response: Districts do not have to request current wage information from the recipient at the end of the one-time six month EID. This is because recipients are already required to report changes in income within 10 days. If changes occurred during the six month period, the individual was responsible to report them and the district should have the information. In addition, the individual may have already recertified during the six month period and provided updated wage information as part of that process.

19. **Question: During the six month 100% income disregard period, are clients still required to work with district Employment & Training?**

Response: If the client using the disregard is not working full-time, the district can assign them to Employment & Training activities up to the remaining hours of the district's weekly hours standard of participation requirements as outlined in Section 5.1 in their Biennial Employment Plan up to the maximum standard of 40 hours per week.

20. **Question: As assignable Work Experience Program (WEP) hours are calculated based on a recipient's budget, how will the calculations be affected by wages or training earnings being disregarded from budget determinations?**

Response: Applying either the one-time 100% employment income disregard or 100% training income disregard will not cause calculations for Work Experience (WEP) hours to decrease, as the disregards are applied by omitting the income from the TA budget altogether. Therefore, districts will need to take care to ensure the assignment of secondary work activities does not interfere with a recipient's employment, and at no time can the recipient be assigned to more than 40 hours of activities. Every effort must be made to ensure that non-paid activities do not interfere with the recipient's paid employment.

V. SUPPORTIVE SERVICES

21. **Question: How will the one-time 100% earned income disregard work for Temporary Housing Assistance (THA) contributions for PA recipients? Would the exempted income count for THA or also be exempt for six months?**

Response: The income is exempt and will not count towards THA. The statute that created the new EIDs was written to apply to all PA recipients, which includes families receiving THA and other supportive services. The intent of the one-time employment EID is to help PA recipients build savings to mitigate the impact of a potential "benefits cliff" and make investments in their long-term independence, such as downpayments on stable housing. Coupled with client counseling on financial literacy, the new EIDs can be a tool to reduce the number of THA cases in the long term.

Income from employment that started before the new EIDs went into effect on December 29, 2023, is not exempt from the THA budget. Individuals who were already making contributions towards their temporary shelter costs will continue to do so at the same level. However, if the same individual were to secure a new job after December 29, 2023 and their total gross income does not exceed the 200% FPL, the income from that new job (and only the new job) would receive the 100% disregard for six months and not be factored into the recipient's share of the THA.

22. **Question: If client is receiving an earned income disregard, how does the income impact any emergency payments they may need? Is it also exempt income for an emergency?**

Response: Both the one-time EID for employment and the EID for training income are only applicable to recurring PA benefits. They must not be applied when determining eligibility for Emergency Assistance (i.e. Emergency Aid to Families and Emergency Safety Net Assistance). For additional guidance on Emergency Assistance, refer to [02-ADM-2](#).