

GENERAL INFORMATION SYSTEM
Center for Employment & Economic Supports

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TO: Commissioners; Employment Coordinators; TA and FS Directors; WMS Coordinators, WTCMS Liaisons; Staff Development Coordinators

FROM: Russell Sykes, Deputy Commissioner, Center for Employment and Economic Supports

SUBJECT: Federal Minimum Wage Increase and Food Stamp Work Exemption

EFFECTIVE DATE: July 24, 2008

CONTACT PERSON:

Employment Questions: Employment and Advancement Services Technical Advisor or EAS Bureau at (518) 486-6106

TA Program Questions: Bureau of Temporary Assistance at (518) 474-9344

FS Program Questions: FS Bureau at 1-800-343-8859 Extension 3-1469

The purpose of this message is to inform social services districts about the latest increase in the federal minimum wage effective July 24, 2008, and to identify the effects that the increased minimum will have on the Working Families Food Stamp Initiative Screening and Food Stamp Work Exemptions.

The Fair Minimum Wage Act of 2007 (121 Stat. 188 to be codified at 29 USC §201 et seq.) increased the federal hourly minimum wage from \$5.85 per hour effective July 24, 2007 to **\$6.55** effective July 24, 2008. The Act also provides for a final wage increase to \$7.25 effective July 24, 2009.

Temporary Assistance Employment Requirements

Since New York State's minimum wage is currently \$7.15 per hour, and the maximum number of hours of participation in a work experience activity, are based on the higher of the State or federal minimum wage, this change will not affect the number of hours a client may be required to participate in a TA or FS work experience program. Once the federal minimum wage reaches \$7.25 per hour in July 2009, adjustments to the number of hours of participation in work experience will need to be made.

Food Stamps

Working Families Food Stamp Initiative (WFFSI)

As of January 1, 2008, local districts began screening all applications for NTA-FS benefits, using the LDSS-4921 Working Families Food Stamp Initiative Screening Sheet or approved local equivalent process, to see if the applicant household presumptively qualifies to participate in the WFFSI. Effective immediately the above mentioned screening has been modified to incorporate the increase in the Federal Minimum Wage.

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Any Non-Temporary Assistance Food Stamp Program (NTA-FS) applicant or recipient household would qualify for WFFSI that has:

At least **one** adult member who is:

- Either working **30 hours per week**, or more, or
- Earning an average weekly income equal to or greater than **\$196.50** which is the Federal Minimum Wage (FMW) **\$6.55 times 30 hours per week**

OR

At least **two** adult members who are both:

- Either working **20 hours per week**, or more each or
- Earning an average weekly income equal to or greater than **\$131** each which is the FMW **\$6.55 times 20 hours per week**

Note: The revised LDSS-4921 form must be used to screen all applications for NTA-FS benefits.

Employment and Training Requirements

An increase in the federal minimum wage affects the number of individuals exempt from Food Stamp Employment and Training (FSET) work requirements based on the exemption for individuals receiving weekly earnings equal to or greater than the federal minimum wage multiplied by 30 hours. Currently, individuals earning at least \$175.50 per week or greater are exempt from participation in FSET work activities. Effective July 24, 2008, individuals must be earning at least \$196.50 per week (30 hours times \$6.55) in order to be exempt under this criterion.

At the next client contact or recertification, districts must review the cases of individuals who are exempt from food stamp work requirements based on earning weekly wages of at least 30 times the federal minimum wage to ensure that the new criterion is met. Individuals who no longer meet the criterion should be screened to determine if they meet any of the other food stamp exemption criteria. If not, these individuals should be re-coded as nonexempt work registrants and be notified of the change in their food stamp employability status. Districts may then assign these individuals to FSET work activities.

TA Budgetary Implications

None

FS Budgetary Implications

None

Systems Implications

Lists will be sent to local districts, via BICS, identifying FS cases that are either

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1. Potentially eligible for WFFSI (ABEL Budget indicates case appears to be financially eligible but no WFFSI Indicator present on WMS) or;
2. Currently participating in WFFSI and ABEL Budget indicates case still appears to meet earnings criteria or;
3. Currently participating in WFFSI and ABEL Budget indicates that case no longer appears to meet earnings criteria.

A separate GIS will be issued when these lists are ready to be sent to districts.

There is no effect on the WTWCMS calculation of maximum number of weekly hours available for work experience assignments as the State minimum wage exceeds the federal minimum wage, and, is therefore, used in this calculation.

Work registrant reporting changes are being made to ensure that individuals who are earning the equivalent of at least 30 times the federal minimum wage are not reported as ABAWDs or food stamp work registrants. ABAWD tracking will also be updated to include the new federal minimum wage where hours per month must be calculated.

Please note the revised WFFSI Screening Sheet Form 4921 is attached.