

GENERAL INFORMATION SYSTEM
Center for Employment & Economic Supports

April 10, 2009

Page: 1

TO: TA Directors, FS Directors, HEAP Directors, Staff Development Coordinators

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

SUBJECT: TA, FS and HEAP Treatment of American Recovery and Reinvestment Act (ARRA) of 2009 \$25 Per Week Increase to Unemployment Insurance Benefits (UIB)

EFFECTIVE DATE: Immediately

CONTACT PERSON: Temporary Assistance Bureau at 1-800-343-8859; ext. 4-9344
Food Stamp Policy Bureau at 1-800-343-8859; ext. 3-1469
HEAP Policy Bureau at 1-800-343-8859; ext. 3-0332

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009. The bill authorized a temporary, \$25 per week increase in Unemployment Insurance Benefits (UIB) for current and new recipients of UIB. The increase, known as the Federal Additional Compensation (FAC), includes individuals who are collecting either regular or extended unemployment insurance benefits. The \$25 per week (\$108 per month) increase will be made retroactively on weekly benefits paid back to the week ending March 1, 2009 and will be made prospectively on weekly benefits received until December 31, 2009.

On March 25, 2009, the New York State Department of Labor announced that the retroactive payments back to March 1st will be made to current recipients on March 30, 2009, and that the \$25 increase to weekly benefits will be included in benefits paid for the first week of April, 2009. The increase to weekly benefits will be included in weekly benefits through December 31, 2009. All recipients of UIB, even if only eligible for \$1 per week in regular UIB, will receive the \$25 per week FAC payment.

The purpose of this GIS is to explain how districts must treat the \$25 per week UIB increase when determining eligibility and benefit amounts for Temporary Assistance (TA), Food Stamps (FS) and the Home Energy Assistance Program (HEAP). The increase to UIB income for currently active TA and FS cases has not been done automatically as part of the recent mass re-budgeting to food stamp cases. Adjustments to TA and FS budgets must be done manually.

Food Stamps Treatment: The one-time, **retroactive** UIB payment issued by DOL to restore benefits back to March 1st is considered a lump sum payment and must be excluded as income.

The temporary, recurring, \$25 increase to the weekly UIB benefit **is** considered income to the FS household. However, most households currently receiving UIB benefits are subject to FS simplified ("six-month") reporting rules. Such households generally are only required to report when monthly household income exceeds 130% of the poverty limit. Unless the additional UIB income puts the household's monthly income over 130% of poverty, households are not required to report the increase in income, for FS purposes, until the next required contact (i.e., recertification or periodic report).

GENERAL INFORMATION SYSTEM
Center for Employment & Economic Supports

April 10, 2009

Page: 2

If a TA-FS household reports the \$25 UIB increase, due to TA reporting rules, and the increase is placed on the TA budget, the additional UIB income also should be adjusted on the FS budget via a system-supported SF8 transaction.

For TA-FS and NTA-FS households that have not yet reported an increase in UIB income, the primary indication to a local district worker that a household has received an increase to its weekly UIB income likely will be a RFI hit at the next TA or FS case action. If so, the \$25 per week increase should be included in the FS budget at the next worker-initiated TA or FS case action. Otherwise, as noted above, the increase should be budgeted at the next required reporting point (i.e., periodic report or recertification), whichever is sooner.

If a local district would like to create a list of current TA or FS cases that have UIB income included in the budget, such lists can be created using COGNOS.

The ARRA includes a 120-day “hold harmless” period for Food Stamp Program/SNAP provisions. This provision exists to provide time for the states to enact the required program changes without affecting their payment accuracy rates. Since the effective date of the ARRA changes is April 1, 2009, any FS cases selected as part of the FSQC sample for the review months of April, May, June and July of 2009 will not be considered to have an overpayment and be in error if the \$25 increase to UIB benefits has not been included in calculation of food stamp benefits for that month.

Temporary Assistance Treatment: The one-time, **retroactive** UIB payment issued by DOL to restore FAC benefits for the applicable weeks ending March 1, 8, 15 and 22, **is** considered a lump sum payment when the payment alone or combined with other budgeted income is **greater than** the TA household’s needs. If considered a lump sum, the payment is treated in accordance with 03 ADM-10.

The one-time, **retroactive** UIB payment issued by DOL to restore FAC benefits for the applicable weeks ending March 1, 8, 15 and 22, **is not** considered a lump sum payment when the payment alone or combined with other budgeted income is **equal to or less than** the TA household’s needs. The payment is considered income and the gross amount must be budgeted as unearned income in the month received.

The temporary, **recurring** \$25 FAC increase to the weekly UIB benefit, beginning week ending March 29, **is** considered unearned income to the TA household. The \$25 FAC, along with the regular UIB benefit, is subject to routine TA budgeting methodologies, including overpayment/underpayment calculations. The FAC and regular benefit are combined and budgeted as a total UIB benefit using Other/Unearned Income Source code “49-Unemployment Insurance Benefits”. The FAC is budgeted without requiring the TA applicant/recipient to provide documentation/verification. The district must also cease budgeting the FAC as of December 31, 2009, or as notified by the Office.

Budgetary and case actions are subject to appropriate notification requirements.

If a local district would like to create a list of current TA cases that have UIB income included in the budget, such lists can be created using COGNOS

GENERAL INFORMATION SYSTEM
Center for Employment & Economic Supports

April 10, 2009

Page: 3

Home Energy Assistance Program Treatment: The one-time, **retroactive** UIB payment issued by DOL to restore benefits back to March 1st will be considered a lump sum payment and must be excluded as income.

The temporary, recurring, \$25 increase to the weekly UIB benefit **is** considered income for HEAP eligibility and benefit calculation purposes.