

**WISCONSIN DEPARTMENT OF HEALTH SERVICES**  
**Division of Health Care Access and Accountability**  
**1 W. Wilson St.**  
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To: FoodShare Wisconsin Handbook Users

From: Rebecca McAtee, Bureau Director  
Bureau of Enrollment Policy and Systems

Re: **FoodShare Handbook Release 16-02**

Release Date: 12/19/2016  
Effective Date: 12/19/2016

**EFFECTIVE DATE**

The following policy additions or changes are **effective 12/19/2016**, unless otherwise noted. **Grey highlighted text denotes new text. Text with a strike through it in the old policy section denotes deleted text.**

**POLICY UPDATES**

**3.3.1.1 HUG** (Households, Units, Groups)

**U - Food Units**

One or more persons who live in the same household and purchase and prepare food together for home consumption, or individuals who must be included in the same food unit because of relationship rules (3.3.1.3). This group is tested for eligibility together. There are some exceptions for boarders, foster persons, and certain elderly and disabled individuals.

Examples of a food unit include:

- A person living alone.
- A group of unrelated persons living together who purchase and prepare meals together for home consumption.
- An ~~24-year-old~~ individual **younger than 22 years of age** living with his or her parents, regardless of whether he or she purchases and prepares food for home consumption separately from his or her parents.

**3.15.1 Student Eligibility**

12. Is assigned to or placed in an institution of higher education through or in compliance with the requirements of FSET, a program under the Job training Partnership Act of 1974, or a program under section 236 of the trade Act of 1974.

*Example 1 was updated.*

**3.16.1 Work Requirements**

*This chapter was reorganized and policy was clarified to better explain work requirements. Policy clarifications are highlighted.*

**4.3.2.1 Counted Earned Income**

3. Recurring profit sharing payments or bonuses. Bonus income from employment should be counted as earned income if receipt is regular and predictable. Budget the bonus based on the frequency of receipt. A bonus would be considered a lump sum payment (4.5.5) if the income is received infrequently or irregularly to be reasonably anticipated.

*Example 3 is new.*

**4.3.2.2 Disregarded Earned Income**

15. Funds from a crowdfunding account (such as GoFundMe, Kickstarter, and Indiegogo) when a member or applicant does not have access to the funds.

### 4.3.3 Farming and Other Self Employment Income

*This chapter was reorganized. Policy clarifications are highlighted.*

#### 4.3.4.3 Disregarded Unearned Income

Disaster and Emergency Assistance Payments

2. Disregard Emergency Assistance (OPM) or emergency General Assistance when either is given to a migrant or seasonal farm worker food unit if:
  - a. The payment is provided to a third party (vendored) on behalf of the migrant or seasonal farm worker; and,
  - b. The food unit was in the job stream (for example, working) when it was provided.

*Example 2 is new.*

#### 4.4.1.4 Disregarded Assets

Unavailable assets are:

1. Assets inaccessible to the food unit because they are unknown to the food unit. The assets become available assets the day the food unit becomes aware of them.
2. Countable assets that the owner cannot make immediate use of.
3. Assets that a food unit is unable to sell for any significant return because the food unit's interest is relatively slight or because the costs of selling the food unit's interest would be relatively great.
4. Funds received through crowdfunding accounts (such as GoFundMe, Kickstarter, and Indiegogo). Only those funds accessible to the food unit at the time of interview are to be counted as a liquid asset.

#### **Achieving a Better Life Experience (ABLE) Account**

Per section 103(a) of the Tax Increase Prevention Act of 2014, consistent with Section 5(d)(10) of the Food and Nutrition Act of 2008, ABLE accounts are considered disregarded assets. An ABLE account is a tax-favored saving account established to provide secure funding for disability-related expenses on behalf of designated beneficiaries.

#### **529 (a) and Coverdell 530 Education Accounts**

Per section 5(g)(8)(A) of the Food and Nutrition Act of 2008, disregard the value of any funds in a qualified tuition program described in Section 529 of the Internal Revenue Service Code of 1986 or the Coverdell Education Savings Account under Section 530 of that code.

#### 4.5.5 Nonrecurring Lump Sum Payment

Disregard money received as a nonrecurring lump sum payment as income. A nonrecurring lump sum is a payment received only once. Count it as a liquid asset in the month the food unit receives it. Types of nonrecurring lump sum payments include:

1. Retroactive lump sum insurance settlements.
2. Retroactive UC payments.
3. Utility or rental security deposit refunds.
4. Retroactive SS or public assistance payments.
5. Retroactive Caretaker Supplement for Children (CTS).
6. TANF payments made to divert a family from becoming dependent on welfare, such as Emergency Assistance.
7. Funds received through crowdfunding accounts (such as GoFundMe, Kickstarter, and Indiegogo). Only those funds accessible to the food unit at the time of the interview are to be counted as a liquid asset.
8. A bonus if the income is received infrequently or irregularly to be reasonably anticipated.

#### 4.5.6.3 Repayments for means tested sources that are paid out of pocket

Disregard repayments (not due to a FoodShare IPV) from out of pocket or from non-means-tested benefits (for example, SSDI) to repay an overpayment for a means-tested program (for example, SSI). Budget the net non-means tested program benefits.

*Example 4 was deleted.*

#### **4.6.7.2 Allowable Shelter Expenses**

Shelter expenses that are deductible include:

1. Rent
2. Home mortgage and property taxes (if not in the mortgage). Homestead property may consist of multiple sections of land for tax purposes. Since the food unit is responsible for all taxes owed on the homestead property, the taxes owed on all sections of the property are allowed as a deduction.
3. Countable utility expenses
4. Mobile home lot rent and loan payments
5. Insurance on the structure (if not included in the mortgage). If a food unit has a homeowner's insurance policy that includes insurance on the structure and household contents, but the costs cannot be separately identified, the total cost is allowable. Note: renter's insurance is not an allowable shelter deduction.
6. Second mortgage or home equity line of credit (regardless of what the mortgage is used for)
7. Special assessments.
8. Condominium fees or condo association fees.
9. Mortgage obligation if still owed when a reverse mortgage is in place.

Do not count as shelter or utility expenses such surcharges as pet expenses, extra garage rentals, or air conditioning surcharges. The monthly amount of rent should be taken into consideration each month when the shelter deduction is determined without regard to when the rent is actually paid. Only allow current monthly expenses. DO NOT include arrearages, late charges or discounts for early payment.

Disregard HUD and FMHA payments paid directly to the landlord or mortgage holder as an expense. Only include the amount the food unit owes after the HUD or FMHA payments as a rent expense.

Do not allow in-kind payments as a shelter deduction. This includes arrangements such as receiving free rent for providing child care, or other services. In these situations, no rent deduction is allowed, no income is counted and no child care deduction is allowed.

Include costs for the repair of damages to the food unit's home due to a natural disaster as a shelter expense. Examples of natural disasters are fires, floods, hurricanes, and tornadoes.

Do not count expenses for repairs that have been or will be reimbursed to the food unit by any private or public relief agency, insurance company, or any other source.

If anyone in the household shares the shelter cost with the food unit, create a separate shelter screen for each contributor, using the correct obligation amount for which each contributor is responsible.

~~When a self-employed person claims the total shelter costs as a business expense, do not allow any shelter deduction. If a he or she claims a percentage of the shelter costs as a business expense, the remaining percentage is a shelter deduction.~~

When a self-employed food unit claims the total shelter costs as a business expense, do not allow any shelter deduction. If the food unit claims a percentage of the shelter costs as a business expense, the remaining percentage is a shelter deduction.

Use IRS form 8829 to determine the percentage of the home that was claimed as a business expense. Any remaining amount that was not counted as a business expense should be allowed as a shelter expense.

#### 4.6.7.3 Standard Utility Allowances

*Example 1 is new.*

##### **Verification**

If a food unit claims to have received WHEAP, verification will be required; IM workers have access to this verification via the data exchange, Tran code: DXLI, in the CARES Mainframe. Note: All WHEAP payments are \$30 or greater. A WHEAP and/or LIHEAP payment must be received in order to qualify for the HSUA.

#### 4.7.2.1 Introduction

##### **I-134 (pre- PRWORA)**

The I-134 form was the primary affidavit of support form used by INS before December 19, 1997; it is still used in some limited cases for immigrants who enter after that date.

Deeming applies for only the first three years in the United States. Deem the income of the sponsor and the sponsor's spouse (if living together), to determine the immigrant's eligibility.

PRWORA is the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

#### 7.1.1.5 Replacement Issuance for Destroyed Food

A replacement issuance shall be provided only if a food unit:

1. Reports the loss orally or in writing to the agency within 10 days of the date the loss occurred.
2. Completes a "Request for Replacement FoodShare Benefits" (F-00330). This can be completed and dropped off at the agency, mailed, or faxed to the agency, but must be received by the agency within 10 days of when the food unit reports the loss.

**Note:** The agency must include the 10 day due date, and consequences for failure to return this form timely. A manual verification request form should be issued to meet this requirement. (See 1.2.1.2 Request for Verification)

Replacement amounts should be for amount of the loss claimed by the food unit, up to the maximum issued for that month's allotment, unless the allotment includes restored benefits, then the full amount issued will be replaced. Note: The food unit could have purchased food prior to the disaster using FoodShare benefits from previous months.

*Example 10 was updated.*

*Example 11 is new.*

#### 8.1.1.1 Income Limits

*The table was updated to reflect the federal limits effective October 1, 2016.*

#### 8.1.1.2 Regular SNAP Program Income Limits

*The table was updated to reflect the federal limits effective October 1, 2016.*

#### 8.1.2 Allotment for monthly net income and FoodShare group size

*The allotment table was updated to reflect the federal limits effective October 1, 2016.*

#### 8.1.3 Deductions

*The table was updated to reflect the federal limits effective October 1, 2016.*