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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 90 ADM-12

TO: Commissioners of
 Social Services

DIVISION: Income
 Maintenance

DATE: March 30, 1990

SUBJECT: Food Stamps: Treatment of Income from On the Job Training
 Under the Job Training Partnership Act (JTPA)

SUGGESTED
 DISTRIBUTION:

Public Assistance Staff
 Food Stamp Staff
 Employment Staff
 Staff Development Coordinators

CONTACT
 PERSON:

Food Stamp Program
 County Representative
 1-800-342-3715, extension 4-9225
Upstate ABEL/WMS
 Carl Poole
 1-800-342-3715, extension 4-1160
New York City ABEL
 Jay Meketansky
 (212) 587-4750

ATTACHMENTS:

None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
89 ADM-4	89 ADM-4	352.22(u) 387.10(b)	JTPA Pub. L. 97-300 Food Security Act of 1985 Pub. L. 99-198 7 CFR 273.9(b)(1) (v)	<u>FSSB</u> XII-B-1 XII-G-4 XII-G-9 <u>PASB</u> XVI-I-1 through I-3	

I. PURPOSE

The purpose of this release is to transmit recent federal changes concerning food stamp treatment of on-the-job training (OJT) income from the Job Training Partnership Act (JTPA).

II. BACKGROUND

The Food Security Act of 1985 amended the Food Stamp Act changing the treatment (for food stamp budgeting) of earnings received by persons participating in OJT programs under JTPA. Prior to this change any income received as a result of JTPA participation was totally excluded for food stamp purposes. The United States Department of Agriculture (USDA) promulgated regulations effective August 1, 1987 implementing the statutory change. Recent technical amendments filed by USDA further state that only one type of JTPA/OJT income is countable for food stamps.

III. PROGRAM IMPLICATIONS

A. Food Stamps

Earnings from OJT programs received by individuals participating in programs under Section 204(5), Title II of JTPA are budgeted for determination of food stamp eligibility and benefit amounts as earned income, with one exception.

JTPA/OJT earnings remain excluded for food stamps if the individual household member receiving such earnings is under 19 years of age and is under parental control of another household member. In addition, all other types of income received under JTPA remain excluded for food stamps.

B. Public Assistance

There are no changes in public assistance requirements for treatment of income from JTPA participation. For a complete discussion of the treatment of JTPA income for public assistance purposes, refer to Public Assistance Source Book Section XVI-I-1 through I-3.

C. Medical Assistance

There are no changes in medical assistance requirements for treatment of income from JTPA participation.

IV. REQUIRED ACTION

A. JTPA/OJT Under Section 204(5), Title II

The following budgeting changes must be made as of August 1, 1987, at the next agency contact or at recertification, whichever is earlier, for households currently in receipt of food stamps:

1. Local districts must apply earnings from JTPA/OJT as food stamp earned income in determination of household food stamp eligibility and benefit amounts.
2. Earned income from JTPA/OJT programs received by individuals aged 19 or older is always counted as FS earned income. Such income remains excluded if received by an individual under 19 years of age unless such a recipient is living alone; or is head of household, i.e., not part of a FS household which contains at least one other person older than the JTPA/OJT income recipient.
3. All income received due to participation in JTPA other than earnings from JTPA/OJT Programs under Section 204(5) Title II remains excluded.

To determine whether an individual's JTPA earnings are received due to participation in an OJT program under Section 204(5), Title II, the local districts may contact the local JTPA provider.

4. Any payments made to JTPA/OJT Program participants which are reimbursements in accordance with FSSB Section XII-G-4 are excluded as food stamp income, even if their JTPA/OJT earnings are counted.

B. JTPA/OJT Not Under Section 204(5), Title II

For any household which had JTPA/OJT income budgeted which was not under Section 204(5), Title II, restored food stamp benefits must be provided and the current budget must be recalculated. Underissuances must be corrected retroactive to the date on which the income was first counted (August 1, 1987 or thereafter). This must be completed at the next agency contact or upon household request, whichever is earlier.

V. SYSTEMS IMPLICATIONS

A. Districts Outside New York City

1. Food Stamp Budgets

For FS budgets, earned income from JTPA/OJT programs under Section 204(5), Title II which is received by individuals

aged 19 or older (or younger individuals, if living alone or head of their own household) is entered on ABEL using Earned Income Source Code "40 - Earnings from JTPA".

2. PA/FS Budgets

JTPA/OJT income which is entered on the PA budget using Earned Income Source Code "40" will be displayed on the FS Input Screen. If this income is not the type received under Section 204(5), Title II of JTPA, this income must be deleted from the FS budget.

If Unearned Income Code "74 - Earnings of a Child from JTPA" was used on the PA Budget to record OJT earnings for a 19 or 20 year old individual, the amount associated with Code 74 should be re-entered on the FS Budget using Earned Income Code 40, if it is the type received under Section 204(5), Title II of JTPA. The Section 204(5), Title II JTPA/OJT income must also be entered on the FS Budget for individuals under age 19 who are living alone or are head of their own household.

B. New York City

Workers must determine whether the income received from JTPA/OJT is countable for FS prior to input on ABEL screen NSBL06. For PA/FS cases, program indicator code "P" must be input if the income is excluded for FS. For NPA/FS cases, the income should not be input if it is excluded for FS.

VI. EFFECTIVE DATE

This directive is effective May 1, 1990, retroactive to August 1, 1987.

Oscar R. Best, Jr.
Deputy Commissioner
Division of Income Maintenance