

<b>DEPARTMENT OF HUMAN RESOURCES FAMILY INVESTMENT ADMINISTRATION</b>	<b>FOOD SUPPLEMENT PROGRAM MANUAL</b>	
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### **108.1 Purpose**

This section describes the procedures for handling cases with nonmembers in the household.

### **108.2 General Information**

- A. In certain cases, not every person in a household is eligible to participate in the Food Supplement Program (FSP).
- B. One or more people living in the household may be nonmembers, ineligible, or disqualified from the FSP because of a non-financial eligibility factor.
- C. Income and resources of a nonmember are treated differently depending on the reason for the ineligibility.

### **108.3 Nonmembers of a Household**

- A. Do not include the following individuals in a FSP household except as required in Section 100.3 of this manual.
  - 1. Roomer. An individual to whom a household furnishes lodging, but not meals, for compensation (See Section 100.8).
  - 2. Live-in attendant. An individual who resides with a household to provide medical, housekeeping, childcare or similar services (See section 100.8).
  - 3. Boarder. An individual who pays a reasonable amount for meals and lodging (See Section 105).
  - 4. Other. Other individuals who share living quarters with the household but who do not customarily purchase and prepare meals with the household.
- B. These individuals (if otherwise eligible) may participate as separate households. Boarders may not participate independently of the household providing the boarder service.
- C. Do not include these individuals in determining household size, eligibility, or FSP benefit level.
- D. Do not consider the income and resources of these individuals available to the household with whom they live.

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### **108.3 Nonmembers of a Household (continued)**

- E. Include as self-employment income to the household any payments from the nonmember.
- F. If the household shares deductible expenses with a nonmember, deduct only the amount actually paid or contributed by the household as a household expense. If the payments cannot be differentiated, prorate the expenses evenly among persons actually paying or contributing to the expense and deduct only the household's pro rata share.
- G. When the earned income of one or more household members and the earned income of a nonmember are combined into one wage, determine the income as follows:
  - 1. If the household's share can be identified, count the portion due to the household as income.
  - 2. If the household's share cannot be identified, prorate the earned income among all those for whom it was intended to cover, and count the prorated portion to the household.

### **108.4 Ineligible Members**

Some household members are ineligible to receive FSP benefits because of FSP rules. Others are ineligible for such reasons as being disqualified for committing an intentional program violation (IPV) or for refusing to comply with a requirement. Ineligible individuals include the following:

- A. Individuals who do not meet the eligible student requirements in section 102.
- B. Individuals who do not meet the citizenship or eligible immigrant status of section 120.
- C. Individuals disqualified for an intentional program violation as described in section 480.
- D. Individuals disqualified for failure to provide a social security number as described in section 405.
- E. Individuals disqualified for noncompliance with work requirements as described in section 130.
- F. Able-bodied adults without dependent children who fail to comply with the work requirement as described in section 130.

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#### **108.4 Ineligible Members (continued)**

- G. Individuals during any period the individual is fleeing to avoid prosecution, or custody or confinement after conviction for a felony, or violating a condition of probation or parole.
- H. Individuals, if convicted for an offense that occurred after August 22, 1996 that is classified as a drug kingpin or volume dealer drug felony committed after October 1, 2017 as described in Section 100.7.I.
- I. Individuals convicted in a court or by an administrative disqualification hearing to have made a fraudulent statement with respect to residence or identity of the individual in order to receive multiple benefits simultaneously.
- J. Individuals convicted by a court of trafficking FSP benefits of \$500 or more.

#### **108.5 Treatment of Income, Deductions and Resources of:**

- ◆ **Individuals who do not Meet the Citizenship or Eligible Immigrant Status,**
- ◆ **Able-bodied Adults without Dependents who are not Meeting the Work Requirements, and**
- ◆ **Individuals Disqualified for Failure to Provide a Social Security Number.**

During the period of time the member is ineligible, treat the income and resources of ineligible immigrants, able-bodied adults without dependents who are not meeting the work requirement and individuals not included in the household for failure to provide or apply for a social security number as follows:

- A. Resources – Consider the total value of resources of the excluded member as available to the household.
- B. Income – Count a pro rata share of the ineligible member's income to the remaining household members. Determine the pro rata share as follows:
  1. Subtract the allowable excluded income (see section 211) from the ineligible member's total income.
  2. Divide the income evenly among the household members, including the ineligible members.
  3. Count as income for the remaining members all but the ineligible member's share.

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### **108.5 Treatment of Income, Deductions and Resources of:**

- ◆ **Individuals who do not Meet the Citizenship or Eligible Immigrant Status,**
- ◆ **Able-bodied Adults without Dependents who are not Meeting the Work Requirements, and**
- ◆ **Individuals Disqualified for Failure to Provide a Social Security Number (continued)**

EXAMPLE: A disqualified member's monthly income is \$200 after subtracting excluded income. Three persons are in the FSP household, not including the ineligible member. When divided by 4, the pro rata share for each member is \$50. Do not count the ineligible member's share. Include \$150 as available income to the household.

#### **C. Deductible Expenses**

1. Apply the 20 percent earned income deduction to the attributed portion of the ineligible member's earned income.
2. Allow a pro rata portion of any allowable child support, shelter and dependent care that are either paid by or billed to the ineligible member. Divide the deductible expense evenly among the household members including the ineligible member.
3. Count all but the disqualified member's portion as a deduction for the remaining members.

EXAMPLE: A disqualified member has gross earned income of \$200 monthly and pays \$60 toward the rent and \$20 towards utilities. The household contains three persons plus the disqualified member. The household's pro rata share of the income is \$150. The pro rata shares of rent and utilities are \$45 and \$15, respectively. The \$150 is included in the household's gross monthly income. Because it is earned income, the household is entitled to the 20% earned income deduction. The household's pro rata share of the ineligible member's shelter expenses, or \$60, is counted as a deductible shelter expense in the FSP computation.

NOTE: If the person disqualified was entitled to a medical expense deduction, the household is not entitled to any portion of this person's deduction during the disqualification period. Also, if the disqualified person is the only elderly/disabled member of the household, the household is not entitled to the special shelter deduction.

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### **108.5 Treatment of Income, Deductions and Resources of:**

- ◆ **Individuals who do not Meet the Citizenship or Eligible Immigrant Status,**
- ◆ **Able-bodied Adults without Dependents who are not Meeting the Work Requirements, and**
- ◆ **Individuals Disqualified for Failure to Provide a Social Security Number (continued)**

EXAMPLE: The disqualified elderly/disabled member has gross unearned income of \$210 monthly and pays \$60 toward rent and \$50 toward utilities. The disqualified individual has \$60 per month medical expenses. The household normally contains two persons plus the ineligible person. Neither of the other persons is elderly/disabled. Total rent for the three persons is \$200 and utilities are \$80. During the period of ineligibility:

- \$140 is attributed to the household as income. ( $\$210 \div 3 = \$70 \times 2 = \$140$ )
- No medical expenses are allowed.
- The household is allowed \$180 for rent – the eligible member's share ( $\$200 - \$60 = \$140$ ) plus the prorated share from the ineligible member ( $\$60 \div 3 = \$20 \times 2 = 40$ )
- The household is allowed \$63 for utilities – The eligible member's share ( $\$80 - \$50 = \$30$ ) plus the prorated share from the ineligible member ( $\$50 \div 3 = \$16.66 \times 2 = 33$ )
- The household is also subject to the cap on the shelter deduction.

### **108.6 Treatment of Income and Resources of a Member who is Ineligible Because of a Disqualification**

#### A. Disqualified individuals include:

1. An individual disqualified for an intentional program violation as described in section 480.
2. An individual disqualified for noncompliance with work requirements as described in section 130.
3. An individual during any period the individual is fleeing to avoid prosecution, or custody or confinement after conviction for a felony, or violating a condition of probation or parole as described in section 480.
4. An individual if convicted of an offense occurring after August 22, 1996 that is classified as a felony, and which has an element of possession, use, or distribution of a controlled substance except as described in section 100.7.I.

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## **108.6 Treatment of Income and Resources of a Member who is Ineligible Because of a Disqualification (continued)**

5. An individual convicted in a court or by an administrative disqualification hearing to have made a fraudulent statement with respect to residence or identity of the individual in order to receive multiple benefits simultaneously as described in section 480.
  6. An individual convicted by a court of trafficking FSP benefits of \$500 or more as described in section 480.
- B. Once a disqualification penalty is imposed or a person becomes ineligible for a reason listed in 108.6A, the household cannot say the individual is a separate FSP household. Continue to count the disqualified member's income and resources until the disqualification period or period of ineligibility ends. However, if the disqualified member physically moves out of the home, the household must report this change. At that point, the member's income and resources are not counted.
- C. During the period the member is ineligible, determine the eligibility and FSP benefit level for any remaining household members as follows:
1. Resources – Consider as available to household the total value of the resources of the ineligible member.
  2. Income – Count the income of the ineligible member in its entirety.
  3. Deductions – The entire household's allowable earned income deduction, standard deduction, medical deduction, dependent care deduction, child support deduction and excess shelter deduction continue to apply to the remaining household members.
- D. Do not include the ineligible member when determining the household's size for the purposes of:
1. Assigning a benefit level to the household,
  2. Comparing the household's monthly income with the income eligibility standards, or
  3. Comparing the household's resources with the resource eligibility limits.
- E. A household's FSP allotment cannot increase as a result of the exclusion of one or more household members ineligible for a reason listed in 108.6A.

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## **108.7 Other Ineligible Household Nonmembers**

For all other nonmembers of the household, who are not specifically mentioned in 108.5 and 108.6:

- A. Do not consider the income and resources of these individuals as available to the household with whom the individual lives.
- B. Consider as income cash payments from the household nonmember.
- C. The household cannot deduct any portion of household expenses that are paid by the nonmember.
- D. If the household shares deductible expenses with the nonmember deduct only the amount actually paid or contributed by the household as another household expense. If the payments cannot be differentiated, prorate the expenses evenly among persons actually paying or contributing to the expense and deduct only the household's pro rata share.
- E. When the earned income of one or more household members and the earned income of a nonmember are combined into one wage, determine the income as follows:
  - 1. If the household's share can be identified, count the portion due to the household as income.
  - 2. If the household's share cannot be identified, prorate the earned income among all those whom it was intended to cover and count the prorated portion to the household.

Reminder: Individuals who do not meet the eligible student requirements in Section 102 are nonmembers of the household.

- F. Do not include the nonmember of the household when determining the size of the household for the purposes of:
  - 1. Assigning a benefit level,
  - 2. Comparing the household's monthly income with the income eligibility standards, or
  - 3. Comparing the household's resources with the resource eligibility limits.

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**COUNTING INCOME, RESOURCES AND DEDUCTIONS OF INELIGIBLE  
HOUSEHOLD MEMBERS**

Household member ineligible because the individual:	Resources Manual Section 200	Income Manual Section 210	Shelter costs other than utilities Manual Section 212	Utility allowances Manual Section 214	Other Deductions Manual Section 213
Does not meet citizenship or eligible immigrant status	Consider the total value of resources of the excluded member as available to the household.	Count a prorated share of the ineligible member's income to the eligible household members.	Allow as a deduction a prorated share of rent, mortgage, etc., that is paid by or billed to the nonmember.	If the household shares the utilities with the nonmember, do not prorate the SUA or LUA. If there is no sharing, allow as a deduction a prorated share of the amount paid by or billed to the nonmember.	Allow as a deduction a prorated share of any child support or dependent care that is paid by or billed to the nonmember.
Is an able-bodied adult without dependents and is not meeting the work requirement					
Failed to provide a social security number					
Is disqualified for an intentional program violation	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction if paid by or billed to the nonmember.
Is not complying with work requirements	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction if paid by or billed to the nonmember.

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**COUNTING INCOME, RESOURCES AND DEDUCTIONS OF INELIGIBLE  
HOUSEHOLD MEMBERS**

Household member ineligible because the individual:	Resources Manual Section 200	Income Manual Section 210	Shelter costs other than utilities Manual Section 212	Utility allowances Manual Section 214	Other Deductions Manual Section 213
Is fleeing to avoid felony prosecution, custody or confinement, or violating a condition of probation or parole	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.
Was convicted of a drug related felony offense occurring after 8/22/96 and does not meet the requirements in section 100.71	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.
Is an ineligible student	Do not consider resources of these individuals as available to the household.	Do not consider the income of the ineligible individual as available to the household. Include any payments from the nonmember to the eligible household.	Do not deduct any portion of an expense that is paid by the nonmember.	If the household shares expenses with the nonmember deduct only the amount actually paid or contributed by the eligible household members as an expense.	
Is a individual who is not a member of the FSP household and is not required to be in the household, other than listed above (roomer, boarder, individuals who share living quarters, but who do not purchase and prepare food together)					

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**COUNTING INCOME, RESOURCES AND DEDUCTIONS OF INELIGIBLE  
HOUSEHOLD MEMBERS**

Household member ineligible because the individual:	Resources Manual Section 200	Income Manual Section 210	Shelter costs other than utilities Manual Section 212	Utility allowances Manual Section 214	Other Deductions Manual Section 213
Was convicted in court or by an administrative disqualification hearing of making a fraudulent statement about residence or identity in order to receive multiple FSP benefits	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.
Was convicted by a court of trafficking FSP benefits of \$500 or more.	Consider the total value of resources of the excluded member as available to the household.	Count the income of the ineligible member in its entirety.	Count the entire rent amount that is paid by or billed to the nonmember.	Count the entire SUA/LUA paid by or billed to the nonmember.	Count the entire allowable earned income, medical, dependent care, or child support deduction, if paid by or billed to the nonmember.