

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814



July 8, 2004

Regulation Package #1202-28

CDSS MANUAL LETTER NO. FS-04-02

TO: HOLDERS OF THE FOOD STAMP MANUAL, DIVISION 63

Regulation Package #1202-28**Effective 1/16/04****Sections 63-407, 63-408, and 63-410**

This manual letter has been posted on the Office of Regulations Development website at http://www.dss.cahwnet.gov/ord/FoodStamps_618.htm.

The attached regulations reflect revisions that were made to the emergency regulations for the ABAWD, Food Stamp Voluntary Quit, and FSET Emergency Regulations. These changes include:

- Modifications of various sections to specify that an individual, who becomes exempt during a disqualification period, must reapply to resume receiving food stamps.
- Adoption of definitions of "reasonable and necessary costs" for transportation and ancillary expenses under the FSET program.
- Adoption of language to state an ABAWD, who has missed work with good cause, shall be considered to have complied with his/her FSET assignment and/or his/her ABAWD work requirement for that month.
- Adoption of language to specify an ABAWD's three consecutive countable months shall begin the first full month following the date the individual notifies the CWD or the CWD becomes aware that he/she is not satisfying the ABAWD work requirement rather than the day he/she notifies the CWD as stated in federal regulations.
- Deletion of the provision that allowed individuals, who have been discontinued after receiving their three consecutive countable months of food stamps without meeting their ABAWD work requirement, to begin receiving food stamps as soon as they start satisfying the ABAWD work requirement.

These regulations were originally adopted on an emergency basis effective August 8, 2003 and were considered at the Department's public hearing held on September 17, 2003.

FILING INSTRUCTIONS

All new revisions are indicated by a vertical line in the left margin. Revisions shown in graphic screen will continue to be shown in that manner until new revisions are done to those pages. The attached pages are to be entered in your copy of the Manual of Policies and Procedures. The latest prior manual letter containing Food Stamp Manual changes was FS-04-01.

Page(s)

185 through 192.1
199 through 206
207.2 through 207.5

Replace(s)

Pages 185 through 192
Pages 199 through 206
Pages 207.2 through 207.5

Attachments

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63-407 WORK REGISTRATION REQUIREMENTS (Continued)**63-407****.4 Work Registrants Requirements**

Persons registered for work under the Food Stamp Program or a program specified in Sections 63-407.21(c) or (e) shall:

- .41 Comply with the requirements of the FSET Program, as described in Section 63-407.8, when assigned by the CWD.
- .42 Respond to a request for supplemental information regarding employment status or availability for work.
- .43 Report to an employer to whom referred, if the potential employment meets the suitability requirements described in Section 63-407.7.
- .44 Accept a bona fide offer of suitable employment, as defined in Section 63-407.7.

.5 Failure to Comply; Good Cause; Notification; and Disqualifications

- .51 The CWD shall be responsible for determining good cause in those instances where the work registrant has failed to comply with the requirements of Section 63-407.4.

In determining if good cause existed for failure to comply with any work registration or FSET Program requirements, the CWD shall consider the facts and circumstances, including information submitted by the household member involved and/or the employer. Good cause shall include circumstances beyond the member's control, such as, but not limited to, illness, illness of another household member requiring the presence of the member, a household emergency, lack of adequate child care for children who have reached age six but are under twelve years of age [see Section 63-408.41(j)], the unavailability of transportation, or problems caused by inability of the work registrant to speak, read or write English.

- .52 Within 10 days of determining that noncompliance with any of the food stamp work registration requirements at Section 63-407.41 was without good cause as specified in Section 63-407.51, the CWD shall issue a notice of adverse action informing the household of the disqualification being imposed on the noncompliant individual. In addition to the notification requirements specified in Section 63-504.21, the notice shall contain a description of the act of noncompliance, identify the minimum length of the food stamp disqualification and specify that if at any time the individual becomes exempt in accordance with Section 63-407.21, the disqualification shall end and the individual may reapply for food stamps. Information describing the action that can be taken to avoid the ineligibility before the disqualification period begins must be included on or with the notice. The notice shall specify that the individual, if otherwise eligible, may apply for food stamp benefits at the end of the disqualification period.

63-407 WORK REGISTRATION REQUIREMENTS (Continued)**63-407**

- .521 Each individual has a right to a state hearing to appeal a denial, termination or reduction of benefits due to a determination of nonexempt status, or a determination of failure to comply with the work registration or FSET Program requirements. Individuals can appeal actions such as exemption status, the type of requirement imposed, or CWD refusal to make a finding of good cause. If a state hearing is scheduled, the CWD shall provide sufficient advance notice to permit the availability, either in person or by phone as appropriate, of a representative of the component operator, if it is anticipated that such attendance will be necessary.

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- .522 The recommended CDSS developed form to use for notification of disqualification actions is the DFA 377.10.

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- .53 For purposes of determining the appropriate disqualification to apply, the CWD shall count any previous sanctions and/or disqualifications imposed on an individual for failing to comply with the provisions of work registration in Section 63-407.4; unemployment, CalWORKs WTW, and other substitute work programs in Section 63-407.54; and voluntary quit and reduction of work effort in Section 63-408. If the individual qualifies for one of the exemptions listed at Section 63-407.21 during the minimum disqualification period identified in Sections 63-407.531, .532 or .533, the disqualification shall end and the individual may reapply and be approved for food stamps if otherwise eligible. The start date of the disqualification period shall begin the first of the month following the month the individual is provided timely notice of adverse action.
- .531 The minimum duration of the first food stamp disqualification is one month.
- .532 The minimum duration of the second food stamp disqualification is three months.
- .533 The minimum duration of the third or subsequent food stamp disqualification is six months.
- .54 When an individual is sanctioned for failing to comply with the work requirements of a program as specified in Section 63-407.21(c) (Welfare-to-Work), Section 63-407.21(e) (Unemployment Compensation), Section 63-407.23 (Substitute Programs), or Section 63-407.24 (CalWORKs Unpaid Community Service and Work Experience), the individual shall also receive a Food Stamp sanction in accordance with Section 63-407.5.
- .541 The individual shall be notified of the disqualification as specified in Section 63-407.52.

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.542 When a person is sanctioned under one of the programs identified in Section 63-407.54, except for a substitute program sanction under Section 63-407.23, the following food stamp work registration exemption requirements shall apply:

- (a) A food stamp sanction shall not be imposed if the individual qualifies for one of the food stamp work registration exemptions at Section 63-407.21. Since no food stamp sanction is imposed, an instance of noncompliance is not counted for purposes of determining the length of future food stamp sanctions.

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Example:

In March, Sue receives a WTW sanction for failing to participate in a community service assignment. In reviewing her case record, the CWD learns that Sue is responsible for the care of a four-year old child and is exempt from food stamp work registration per MPP Section 63-407.21(d). Therefore, a food stamp sanction would not be imposed and Sue would remain eligible for food stamps while under the WTW sanction.

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- (b) When an individual does not qualify for one of the food stamp work registration exemptions at Section 63-407.21 and a food stamp sanction is imposed, the food stamp sanction shall end when the sanctioned individual subsequently qualifies for a work registration exemption.

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Example:

Sally is part of a five-person food stamp household and at the end of February, she receives a CalWORKs/food stamp sanction for failing to participate in a WTW assignment. In May, Sally begins regular participation in a drug rehabilitation program and qualifies for the food stamp work exemption at Section 63-407.21(f). At that time, the food stamp sanction would stop. For multiple person households, eligibility is reestablished for the previously sanctioned individual the first of the following month, if the individual is otherwise eligible (Section 63-504.353). Therefore, Sally would be eligible for food stamps effective June 1.

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63-407 WORK REGISTRATION REQUIREMENTS (Continued)

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.543 When an individual identified in Section 63-407.54 regains eligibility by complying with the program requirement previously violated, the individual is again exempt from work registration. The food stamp sanction period identified in Section 63-407.531, .532 or .533 shall end and the individual shall be approved for food stamps if otherwise eligible.

.6 Ending a Disqualification Period

.61 Following the completion of a minimum disqualification period identified in Section 63-407.53, an individual who is otherwise eligible, may apply for food stamps and be approved if the CWD determines the individual is in compliance with the food stamp work registration requirements defined in Section 63-407.4. For the purpose of this provision, in compliance means the individual is fulfilling one of the food stamp work registration requirements, or he/she agrees to fulfill the requirements as specified by the CWD at application.

.611 If an individual becomes exempt in accordance with Section 63-407.21 or 63-410.3 during a disqualification period, the individual may reestablish food stamp eligibility by reapplying if otherwise eligible.

(a) This provision applies at any time during the period of disqualification.

.62 An individual, who is disqualified for not meeting the food stamp work requirements (e.g., not accepting a job offer) and is discontinued for failing to comply with the 80 hours per month ABAWD work requirement may regain food stamp eligibility if after the disqualification period has ended, he/she complies with the requirements of Section 63-410.5 or becomes exempt under Section 63-410.3 during the disqualification period.

.7 Suitable Employment

.71 Any employment shall be considered unsuitable if:

.711 The wage offered is less than the highest of:

a. The applicable federal minimum wage;

b. The applicable state minimum wage;

c. Eighty percent (80%) of the federal minimum wage if neither the federal nor state minimum wage is applicable.

.712 The employment offered is on a piece-rate basis and the average hourly yield the employee can reasonable be expected to earn is less than the applicable hourly wages specified under Section 63-407.711.

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- .713 The household member, as a condition of employment or continuing employment, is required to join, resign from, or refrain from joining any legitimate labor organization.
- .714 The work offered is at a site subject to a strike or lockout at the time of the offer.
- .72 In addition, employment shall be considered suitable unless the household member involved can demonstrate or the county welfare department otherwise becomes aware that:
 - .721 The degree of risk to health and safety is unreasonable.
 - .722 The member is physically or mentally unfit to perform the employment, as documented by medical evidence or by reliable information from other sources.
 - .723 The employment offered within the first 30 days of registration is not in the member's major field of experience.
 - .724 The distance from the member's home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting. Employment shall not be considered suitable if daily commuting time exceeds two hours per day, not including the transporting of a child to and from a child care facility. Nor shall employment be considered suitable if the distance to the place of employment prohibits walking and neither public nor private transportation is available to transport the member to the jobsite.
 - .725 The working hours or nature of the employment interferes with the member's religious observances, convictions, or beliefs. For example, a Sabbatarian could refuse to work on the Sabbath.

.8 Food Stamp Employment and Training (FSET) Program

.81 CWD Screening

The CWD shall screen each work registrant to determine whether or not the registrant will participate or be deferred from the FSET Program. This requirement shall not apply in counties that are totally geographically excluded as allowed in Section 63-407.842.

.811 The following individuals shall be deferred from mandatory participation until the CWD determines that the situation precluding FSET participation no longer exists.

- (a) A person who resides in a federally approved geographically excluded area.

63-407 WORK REGISTRATION REQUIREMENTS (Continued)**63-407**

- (b) A person who participates in a program described in Section 63-407.23 that has participation requirements exceeding those contained in the FSET Program.
- (c) A person who is unable to participate due to personal circumstances. This shall include persons who:
 - (1) Lack dependent care;
 - (A) Lack of child care is defined in accordance with Section 63-408.41(j).
 - (B) Lack of dependent care shall be determined if dependent care costs exceed the maximum dependent care deduction per month per dependent. (The current amounts are reproduced in Handbook Section 63-1101.23.)
 - (2) Lack transportation which is defined as:
 - (A) Private or public transportation is not available at reasonable times on a regular basis; or
 - (B) Monthly transportation costs plus other costs of participation (excluding dependent care costs) that exceed the amounts as determined in Section 63-407.831.
 - (3) Live an unreasonable distance from the FSET program site;
 - (4) Have a severe family crisis;
 - (A) Severe family crisis is defined as:
 - An incapacitated or ill family member who temporarily needs the care of the registrant.
 - (B) A death in the immediate family or of any person in the immediate household;
 - (C) A situation in the immediate family or immediate household that temporarily requires the presence of the registrant.

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- (5) Are temporarily laid off from a job and expected to return to work within 60 days;
 - (6) Are involved in legal difficulties (such as court mandated appearances) which preclude participation;
 - (7) Have a temporary illness or disability; or
 - (A) Temporary illness or disability is defined as:
 - Pregnancy;
 - (B) An illness or injury serious enough to temporarily prevent employment. Minor ailments, such as colds, will not defer a person from participation.
 - (8) Repealed by Manual Letter No. FS-89-01, effective 1/1/89.
- .812 The CWD shall attempt to place persons deferred due to excessive dependent care or transportation costs into a component in which such costs do not exceed the amount eligible for reimbursement as specified in Section 63-407.83.
- (a) If a suitable component is not available, individuals shall be deferred until an affordable component becomes available or individual circumstances change so that monthly expenses do not exceed maximum reimbursable rates.
- .813 Individual deferrals shall be reevaluated no later than at each recertification.
- .814 Persons who are deferred shall be permitted to volunteer to participate in the FSET Program.
- .815 Persons who are registered for work in accordance with Section 63-407.1 and who are not deferred under Section 63-407.811 are considered mandatory participants.
- .82 Referral to FSET Program
- The CWD shall refer mandatory participants to an FSET Program component who have been specifically identified in an approved county plan in accordance with Section 63-407.842. The CWD shall also be permitted to refer applicants and volunteers.

63-407 WORK REGISTRATION REQUIREMENTS (Continued)**63-407**

.821 Upon entry into each component the registrant shall be told, either orally or in writing, of the component requirements, what will constitute noncompliance, and the sanctions for noncompliance.

.83 Participant Reimbursement

The CWD shall reimburse participants, including volunteers and applicants, for costs that are reasonably necessary and directly related to participation as specified in Sections 63-407.831 and .832. The CWD shall inform each participant that allowable expenses identified in this section shall be reimbursed upon presentation of appropriate documentation.

.831 The CWD shall provide reimbursement payments for the actual costs of transportation and other FSET participation expenses (other than dependent care costs) that are reasonable and necessary and directly related to participation in the FSET program. These payments shall be provided as either a reimbursement for expenses incurred or in advance as payment for anticipated expenses in the coming month.

(a) In addition to transportation costs, training or education related expenses include, but are not limited to, the costs of uniforms, personal safety items or other necessary equipment, and books or training manuals. Such expenses shall not include the cost of meals away from home.

(1) CWDs shall determine the level of reimbursement or advance.

(A) The level of reimbursement or advance shall be defined in the county FSET plan and approved by CDSS.

(2) The CWD shall maintain written policy and procedures for the reimbursement of transportation and ancillary expenses.

(3) The CWD's policy and procedures shall be made available to FSET participants.

(b) Reasonable and necessary as it applies to transportation means:

(1) The least costly form of public transportation, including CWD provided transportation, that would not preclude participation in an FSET activity.

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- (2) If there is no public transportation available that meets these requirements, participants may use their own vehicles. Participants shall be reimbursed at one of the following rates:
 - (A) The CWD shall select an existing reimbursement rate used in the county, or
 - (B) The CWD shall develop a rate that covers necessary costs.
 - (C) The reimbursement rate may not include a “cap,” or maximum monthly reimbursement amount, beyond which additional miles driven are not reimbursed.
 - (3) Parking for FSET participants shall be reimbursed at actual cost. Individuals shall submit receipts for this purpose, except in cases where parking meters are used.
 - (4) FSET participants who choose to use their own vehicles when public transportation is available will be reimbursed at the least expensive reimbursement rate of available transportation pursuant to Sections 63-407.831(b)(1) and (2).
- (c) Reasonable and necessary ancillary expenses shall include the cost of books, tools, clothing specifically required for the job, fees, and other essential costs.
- .832 For dependent care costs, the CWD shall reimburse the actual cost in an amount not to exceed the maximum dependent care deduction per month per dependent.
- (a) In lieu of providing reimbursements or payments for dependent care, the CWD may arrange for care through providers by use of purchase of service contracts or vouchers or by providing vouchers to the household.

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- .892 If the workfare or work component does not continue and the overissuance was the result of an intentional Program violation, the amount of the claim determined under Section 63-801.322 shall be for the entire amount of the overissuance and not adjusted for work participation.

- .893 If the workfare or work component requirement does not continue and the overissuance was the result of an inadvertent household or agency error, the CWD shall:
 - (a) Determine whether the number of hours worked in workfare are more than the number which could have been assigned had the proper benefit level been used in calculating the number of hours to be worked.

 - (b) If the extra hours that were worked because of the improper benefit level equal the amount of hours calculated by dividing the overissuance by the higher of the State or federal minimum wage, no claim shall be established. No credit for future work requirements shall be given.

 - (c) If the extra hours worked times the higher of the State or federal minimum wage do not equal the amount of the overissuance, the amount of the claim established under Section 63-801.312 shall be adjusted to equal the amount of the overissuance not "worked off".

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EXAMPLE

A household was incorrectly issued a benefit of \$150 in a month when \$100 would have been the proper benefit. The household, based on the \$150 allotment worked 35 hours [\$150 divided by the minimum wage--\$4.25]. Had the allotment been correctly calculated the household could have been assigned no more than 23 hours in that month. A claim would be established for the amount of the overissuance not "worked off" [e.g., any hours between 23 and 35 which were not "worked off"]. Since the household worked the entire 35 hours, no claim would be established. However, if the household has worked 30 hours, the minimum wage times five [the number of hours not "worked off"] or \$21.25, would have to be recovered.

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.9 Optional Food Stamp Employment Programs

- .91 In addition to the FSET Program, operated in accordance with Section 63-407.8, counties shall be permitted to operate the Food Stamp Workfare Program in accordance with the Requirements of Title 7 of the Code of Federal Regulations, Section 273.22.

NOTE: Authority cited: Sections 10553, 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554 and 18904, Welfare and Institutions Code; 7 CFR 273.1(d)(2); 7 CFR 273.7; 7 U.S.C. 2014(e); 7 U.S.C 2015(d) and (o); 7 CFR 2025(h); 7 U.S.C. 2029(a)(1) and (e); 7 U.S.C. 2035; Sections 4121(c) and (d) of the Food Stamp Reauthorization Act of 2002 (P.L. 107-171); U.S. Department of Labor guidance on FLSA, with attached U.S.D.A., Food and Nutrition Service (FNS) guidance on Simplified Food Stamp Program (SFSP), dated May 22, 1997; SFSP approval letters from FNS to implement the provisions of an SFSP, dated May 5, 2000 and August 3, 2000; FNS letters to CDSS dated August 27, 2001 and November 13, 2001 regarding compliance with the food stamp work registration requirements and resumption of food stamp benefits after a disqualification; and FNS policy interpretation dated September 16, 2003.

63-408	VOLUNTARY QUIT AND REDUCTION OF WORK EFFORT	63-408
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.1 General Rule

An individual is ineligible to participate in the Food Stamp Program if the individual either voluntarily quits a job, as described in Section 63-408.11 or reduces the number of hours worked as described in Section 63-408.12.

- .11 Voluntary quit means resigning a job that is 30 hours or more per week or provides weekly earnings at least equivalent to the federal minimum wage multiplied by 30 hours. If the voluntary quit occurs within 60 days to the date of application for food stamps without good cause in accordance with Section 63-408.4, the application shall be denied for one, three, or six months as specified in Section 63-407.53.
- .111 Changes in employment status that result from reducing hours of employment while working for the same employer, terminating a self-employment enterprise, or resigning from a job at the demand of the employer shall not be considered a voluntary quit for purposes of this section.
- .112 If an individual quits a job, secures new employment that consists at least of the same number of hours or the same salary and is then laid off or, through no fault of his/her own, loses the new job, the earlier quit will not form the basis of a disqualification.

63-408 VOLUNTARY QUIT AND REDUCTION OF WORK EFFORT (Continued) 63-408

- .12 A reduction of work effort means voluntarily decreasing the number of hours worked in paid employment to less than 30 per week. If the reduction in hours worked occurs within 60 days of the date of application without good cause as defined in Section 63-408.4, the application shall be denied for one, three, or six months as specified in Section 63-407.53.

- .121 If an individual reduces hours while working in a job of less than 30 hours per week, a food stamp disqualification shall not be imposed. The minimum wage equivalency does not apply when determining a reduction in work effort.

- .2 Good Cause Determination, Notification, and Disqualifications
 - .21 Applicant Household
 - .211 When a household applies for food stamp benefits, the CWD shall determine if any unemployed household member who is not exempt from work registration in accordance with Section 63-407.3, has voluntarily quit a job or reduced work effort within 60 days prior to the date of application without good cause as specified in Sections 63-408.11, .12, and .121. The CWD shall process the application within the time frames specified in Section 63-301 and shall not delay benefits pending a voluntary quit or reduction of work effort good cause determination.
 - (a) When the CWD learns that a household has lost a source of earned income or has experienced a reduction in income after the date of application, but before the household is certified, the CWD shall determine whether a voluntary quit or a reduction of work effort has occurred.
 - .212 The CWD shall determine whether good cause exists in accordance with Section 63-408.4 upon determining an applicant voluntarily quit employment or reduced the number of hours being worked.
 - .213 If the CWD determines that a household member has voluntarily quit a job or reduced the number of hours being worked without good cause, the individual's food stamp application shall be denied for one, three, or six months in accordance with Section 63-407.531, .532, or .533. The first month of the disqualification period is the month in which the individual is determined ineligible. The individual is considered an ineligible household member in accordance with Section 63-402.228.
 - (a) The household shall be notified in writing of the reason for the denial, the individual's right to reapply at the end of the disqualification period, how to regain eligibility before the disqualification period begins, right to reapply if the individual becomes exempt in accordance with Section 63-408.3 during the disqualification period, and the right to request a state hearing.

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.214 If a voluntary quit or reduction in work effort occurred prior to certification, but is not discovered by the CWD until after certification, a food stamp disqualification shall be imposed in accordance with the procedures specified in Section 63-408.22.

.22 Recipient Households

.221 When the CWD learns that a recipient household has lost a source of earned income or has experienced a reduction in income, the CWD shall determine whether an individual, who is a work registrant in the household, has voluntarily quit a job or reduced work effort below 30 hours per week. The CWD shall determine whether there was good cause for the voluntary quit or reduced hours as defined in Section 63-408.4. Benefits shall not be delayed pending good cause determination.

.222 Upon a determination that the voluntary quit or reduction of work effort was without good cause, the CWD shall issue a notice of adverse action informing the household of the disqualification being imposed on the noncompliant work registrant. The notice shall be issued within 10 days of making the determination. In addition to the requirements specified in Section 63-504.21, the notice shall:

- (a) Explain the reason for the proposed disqualification;
- (b) Specify that the disqualification period shall begin the first of the month following the month the registrant is provided a timely notice of action and shall continue for the period identified in Section 63-407.53.
 - (1) The notice shall inform the household member that if, at any time, he/she becomes exempt in accordance with Section 63-408.612 during a disqualification period, the disqualification shall end and he/she may reapply for food stamps.
- (c) Provide that the household member may reapply for food stamps after the disqualification period ends;
- (d) Explain the actions that may be taken to avoid or end a disqualification period; and
- (e) Inform the household member of the right to request a state hearing. If a state hearing is requested, food stamps shall be continued as specified in Section 63-804.6. If food stamp benefits are continued pending a state hearing and the CWD's determination is upheld, the disqualification period shall begin the first of the month after the hearing decision is rendered.

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- .223 If it is determined an individual, who is a work registrant, has voluntarily quit a job or reduced work effort to less than 30 hours per week without good cause as specified in Section 63-408.4, the individual is ineligible for food stamps and shall be excluded as a household member in accordance with Section 63-402.228.
- .224 If the household member leaves the Food Stamp Program before the disqualification can be imposed, the period of ineligibility shall run continuously beginning with the first of the month after the expiration of the adverse notice period unless the disqualification is ended in accordance with Section 63-408.6.
- .225 If the voluntary quit or reduction of work effort occurred in the last month of a certification period or is determined in the last 30 days of the certification period, disqualification requirements at Section 63-408.22 shall apply. The period of disqualification begins the day after the last certification period ends and continues for the length of the disqualification regardless of whether the individual reapplies for food stamps.

.3 Exemptions from Voluntary Quit and Reduction of Work Effort Disqualifications

- .31 Individuals, who qualify for one of the work requirement exemptions at Section 63-407.21, shall be excused from the voluntary quit or reduction of work effort disqualification provision, and may regain food stamp eligibility by reapplying if otherwise eligible.

.4 Good Cause

The CWD shall be responsible for determining good cause in those instances where a work registrant has voluntarily quit a job or reduced work effort. The CWD shall consider the facts and circumstances, which includes information submitted by the individual and the employer.

- .41 Good cause for voluntary quitting a job or reducing work effort shall include:
 - (a) Circumstances beyond the registrant's control, such as, but not limited to, illness, illness of another household member requiring the presence of the registrant, a household emergency, the unavailability of transportation, or problems caused by inability of the registrant to speak or write English.
 - (b) Resigning from a job that does not meet the suitability criteria specified in Section 63-407.7.

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- (c) Discrimination by an employer based on age, race, sex, color, handicap, religious beliefs, national origin or political beliefs;
- (d) Work demands or conditions that render continued employment unreasonable, such as working without being paid on schedule;
- (e) Acceptance by the individual of employment, or enrollment of at least half-time in any recognized school, training program or institution of higher education that requires the individual to leave employment;
- (f) Acceptance by any other household member of employment or enrollment at least half-time in any recognized school, training program or institution of higher education in another county or state which requires the household to move and thereby requires the work registrant to leave employment;
- (g) Resignations by persons under the age of 60 which are recognized by the employer as retirement;
- (h) Acceptance of a bona fide offer of employment of 30 hours or more a week, or in which the weekly earnings are equivalent to the federal minimum wage multiplied by 30 hours, or because of circumstances beyond the control of the individual, the job either does not materialize or result in employment of less than 30 hours a week, or weekly earnings of less than the federal minimum wage multiplied by 30 hours.
- (i) Leaving a job in connection with patterns of employment in which workers frequently move from one employer to another such as migrant farm labor or construction work. There may be some circumstances where registrants will apply for food stamp benefits between jobs particularly in cases where work may not yet be available at the new job site. Even though employment at the new site has not actually begun, the registrant shall be considered to have quit with good cause if the quitting of the previous employment is a part of the pattern of that type of employment.
- (j) Situations where there is a lack of adequate child care arrangements available for a registrant's children who have reached age six but are under twelve years of age. For purposes of this section, adequate child care arrangements means those which meet the standards in California Code of Regulations, Title 22, Division 12, Chapter 1 commencing with Section 101151, Chapter 2 commencing with Section 101251, and Chapter 3 commencing with Section 102351.1.

63-408 VOLUNTARY QUIT AND REDUCTION OF WORK EFFORT (Continued) 63-408

.42 The following shall not constitute good cause for leaving employment:

- (a) When a federal, state, or local government employee has been dismissed from the job because of his/her participation in the strike against the government entity involved.

.5 Verification

To the extent that good cause for voluntary quit or reduction of work effort is questionable, the CWD shall request verification of the registrant's statements in accordance with Section 63-300.5(g)(3)(C).

.6 Ending a Disqualification for Voluntary Quit or Reduction of Work Effort

.61 Following the end of the minimum disqualification period specified in Section 63-407.531, .532, or .533, eligibility for food stamps may be reestablished if the individual, who is otherwise eligible, applies and is determined by the CWD to be in compliance with the food stamp work registration requirements provided in Section 63-407.4. In compliance means the individual is fulfilling one of the food stamp work registration requirements or agrees to fulfill the requirements as specified by the CWD at application.

.62 If at any time during the period of disqualification an individual qualifies for one of the work registration exemptions listed at Section 63-407.21, the disqualification period shall end and the individual may reestablish food stamp eligibility by reapplying if otherwise eligible.

.63 When an application is filed in the final month of a food stamp disqualification period, the CWD must use the same application for both the denial of food stamp benefits in the remaining disqualification month and for certification of benefits for the subsequent month(s) as specified in Section 63-503.14, which provides the provisions for determining household eligibility and benefit levels.

.64 An individual who is also disqualified for not meeting the food stamp work requirements (e.g., not accepting a job offer) and is discontinued for failing to comply with 80 hours per month ABAWD work requirement, may regain food stamp eligibility if after the disqualification period has ended, he/she complies with the requirements of Section 63-410.5 or becomes exempt under Section 63-410.3 during the disqualification period.

NOTE: Authority cited: Sections 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554 and 18904, Welfare and Institutions Code; California Code of Regulations, Title 22, Division 12, Chapter 1 commencing with Section 101151, Chapter 2 commencing with Section 101251, and Chapter 3 commencing with Section 102351.1; 7 U.S.C. 2015(d)(1) and (o); 7 CFR 273.2(g); 7 CFR 273.7(b), (f), (i), and (j); Food and Nutrition Service (FNS) letter to CDSS dated November 13, 2001 regarding resumption of food stamp benefits after a disqualification; and FNS policy interpretation dated September 16, 2003.

63-409 INCOME AND RESOURCE MAXIMUMS**63-409****.1 Requirements for Participation**

Except for categorically eligible households, as specified in Sections 63-301.6, .7, and .82, only those households with income and resources which do not exceed the maximum income and resource eligibility standards shall be eligible to participate in the Food Stamp Program. The maximum income and resource eligibility standards are promulgated and updated by the USDA, and contained in tables reproduced in Handbook Section 63-1101.

.11 Maximum Income Eligibility Standards

CWDs shall implement the updated maximum income eligibility standards upon their effective date(s). Refer to Handbook Section 63-1101 for the most recent maximum eligibility income standards and their effective date(s).

.111 Maximum Gross Income and Net Income Eligibility Standards

The CWD shall determine the eligibility of all households, except as specified in Sections 63-409.112, and 63-301.7, based first on the maximum gross income. If the household is not eligible under this test the application shall be denied. If the household is gross income eligible then the net income eligibility standards reproduced in Handbook Section 63-1101 shall be applied and appropriate denial or approval shall be made. These eligibility determinations shall be made in accordance with Section 63-503.321.

.112 Maximum Net Income Eligibility Standards

The CWD shall determine the eligibility of households with a member who is elderly or disabled [as define in Section 63-102(e)] based on the maximum net income eligibility standards reproduced in Handbook Section 63-1101. These standards shall apply if a household contains a member who is 59 years old on the date of application but who will become 60 before the end of the month of application. This eligibility determination shall be made in accordance with Sections 63-503.322 or .323, as appropriate.

.12 Maximum Resource Eligibility Standards

Except for categorically eligible households, the CWD shall deny participation in the Food Stamp Program to any household whose nonexempt resources determined in accordance with Section 63-501, exceed the appropriate maximum resource eligibility standards specified in federal regulations 7 CFR 273.8(b), and reproduced in Handbook Sections 63-1101.11 and .12.

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- (b) A program under Section 236 of the Trade Act of 1974 (19 U.S.C. 2296); or
- (c) A program of employment and training approved by a state agency, including the Food Stamp Employment and Training (FSET) program described in Section 63-407.8, and refugee employability services identified in 45 CFR 400.154.
 - (1) Hours spent in job search or job search training activities identified in Section 63-407.841(a) shall not count toward completion of the ABAWD work requirement.

.22 Good Cause

.221 If an individual works an average of 80 hours per month but missed some scheduled work for a circumstance beyond his/her control and the absence is temporary and the individual retains his/her job, the individual shall have met the ABAWD work requirement for the month. As defined in Section 63-407.5, good cause for circumstances beyond the individual's control includes, but is not limited to, illness, illness of another household member requiring the presence of the ABAWD, a household emergency, or the unavailability of transportation.

.222 An individual satisfying the ABAWD work requirement through FSET, who missed scheduled work in a month for a circumstance beyond his/her control provided in Section 63-410.221, shall have met the ABAWD work requirement and complied with the FSET assignment for that month.

.3 Exemptions

The following individuals are exempt from the ABAWD work requirement:

.31 Persons exempt from the work registration requirements as specified in Section 63-407.21;

.32 An individual who is:

.321 Under 18 or 50 years of age or over;

.322 Pregnant; or

.323 Any adult living in a household that contains a dependent child.

.33 Persons living in any portion of the state which has received Federal approval to waive application of the ABAWD work requirement shall also be considered exempt from the requirements of Section 63-410.

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- .34 Individuals who qualify for the 15 percent ABAWD exemption determined by the CWD. The number of individuals, who can be exempted by a CWD each year under this section, and the duration of these exemptions, are limited to the number of ABAWD exemption months allocated each year by CDSS to each CWD.
 - .35 Those months during which an individual is exempt for all or part of the month, in accordance with Section 63-410.3, shall not be considered in determining whether the participation requirement identified in Section 63-410 has been satisfied.
 - .36 Persons who become exempt after having lost eligibility in accordance with Section 63-410.4 or .522 are not subject to the ABAWD work requirement while exempt and may resume receiving food stamps by reapplying if otherwise eligible.
- .4 Loss of Eligibility
- .41 When the CWD determines that an individual has failed to meet the ABAWD work requirement for three countable months during the 36-month period identified in Section 63-410.1, the CWD shall issue a timely notice in the third month to discontinue the individual's food stamp benefits. In addition to the timely and adequate requirements specified in Section 63-504.21, the notice shall:
 - .411 Identify the reason the individual's food stamps are being discontinued;
 - .412 List those months for which the CWD has determined that the ABAWD work requirement was not satisfied;
 - .413 Provide that for any of the three countable months identified in Section 63-410.412 evidence may be presented that demonstrates the individual met or was exempt from the ABAWD work requirement, or that good cause existed in accordance with Section 63-410.221; and
 - .414 Specify how the individual may regain eligibility in accordance with Section 63-410.5.
 - .42 If the ABAWD provides evidence that demonstrates he/she should not lose food stamp eligibility, the CWD shall rescind the notice and restore any benefits that were inappropriately withheld.

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- .43 The period of ineligibility shall begin with the first full month following expiration of the adverse notice period, unless a state hearing is requested. If a state hearing is requested, benefits shall continue in accordance with Section 63-804.6.
 - .431 Each individual has a right to a state hearing to appeal a termination or reduction of benefits due to a determination of nonexempt status, or a determination of failure to satisfy the ABAWD work requirement.
- .44 Determinations of ineligibility shall be made when the CWD becomes aware that a nonexempt recipient has failed to meet the requirements of Section 63-410.
- .45 Repealed by Manual Letter No. FS-97-05, effective 11/16/97
- .5 Regaining Eligibility
 - .51 An individual denied eligibility for failing to satisfy the ABAWD work requirement may regain eligibility if, during a 30-day period, the individual performs one of the following:
 - .511 Works for 80 or more hours;
 - .512 Participates in a workfare assignment.
 - (a) when an applicant regains eligibility by completing a workfare assignment during the 30-day application period, benefits shall be issued back to the date of application; or
 - .513 Participates in an allowable work program as defined in Section 63-410.213 for at least 80 hours.
 - .52 When, during the 36-month calendar period identified in Section 63-410.1, an individual stops performing the ABAWD work requirement after regaining eligibility in accordance with Section 63-410.51, the individual shall remain eligible for food stamps for a period of three consecutive countable months, beginning on the first month following the date the individual notifies the CWD or the CWD learns that the individual is not satisfying the ABAWD work requirement. The CWD shall provide a 10-day notice informing the individual of his/her change in status. If the individual has been meeting the ABAWD work requirement by participating in county workfare or another allowable work activity as specified in Section 63-410.213, the three consecutive countable months shall start the first month following the date the CWD notifies the individual that he/she is no longer meeting the ABAWD work requirement.

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- .521 The three-month period of eligibility identified in Section 63-410.52 is available to an individual only once during a 36-month period. Upon completion of this three-month period, an individual is ineligible for food stamps for the remainder of the 36-month period, unless he/she becomes exempt or satisfies the ABAWD work requirement for each month food stamps are requested.

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Example - A nonexempt individual fails to comply with the 20-hour work requirement during months two, three and four of the 36-month period and so is ineligible for food stamps. In month seven, the client obtains employment and works more than 80 hours during that month. At the beginning of month eight, the client loses the job. The client can receive food stamps for months eight, nine, and ten, regardless of whether the ABAWD work requirement is satisfied. Beginning with month eleven and for the remaining months of the 36-month period, the client can only receive food stamps for those months during which he is exempt from or in compliance with the ABAWD work requirement.

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- .522 When an individual fails to satisfy the ABAWD work requirement after completion of the three-month period identified in Section 63-410.52, requirements at Section 63-410.4 shall apply. However, the notice required by Section 63-410.41 shall specify that the individual can only receive food stamps if one of the conditions identified in Section 63-410.521 is met.
- .523 Repealed by Manual Letter No. FS-04-02, effective 1/16/04.
- .53 Notwithstanding any other provision of this section, when an individual fails without good cause to comply with an ABAWD work requirement and the noncompliance is a sanctionable action under Section 63-407 or Section 63-408, the individual may not reestablish eligibility until the minimum sanction period identified in Section 63-407.53 is completed.

NOTE: Authority cited: Sections 10553, 10554 and 18904, Welfare and Institutions Code. Reference: Sections 10554 and 18904, Welfare and Institutions Code; 7 U.S.C. 2015(d) and (o); instructions received from Dennis Stewart, Regional Director of the Food Stamp Program, Food and Nutrition Service (FNS) dated April 21, 1998, 7 CFR 273.7(f); 7 CFR 273.13; 7 CFR 273.24(b), (c), (e), and (g); 45 CFR 400.154; FNS policy interpretation dated September 16, 2003; and FNS letter dated July 25, 2003.