



Food and  
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**SUBJECT:** SNAP Provisions in the Consolidated Appropriations Act, 2021 – Questions and Answers – Sections 702(a), (b), and (d)

**TO:** All State Directors  
Supplemental Nutrition Assistance Program

On December 27, 2020, the President Donald J. Trump signed into law the Consolidated Appropriations Act, 2021 (the “Act”). Division N, Title VII, Subtitle A, Chapter 1, Section 702(a), (b), and (d) of the Act temporarily increase the value of Supplemental Nutrition Assistance Program (SNAP) benefits, outline requirements for administering this temporary increase, and create certain exclusions from SNAP income.

On December 31, 2020, the Food and Nutrition Service (FNS) issued an informational memorandum on SNAP-related provisions of the Act. Attached are questions and answers describing the temporary increase to the maximum monthly allotments and exclusion of pandemic unemployment compensation payments from SNAP income. State agencies with questions should contact their respective Regional Office representatives.

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Enclosure

## Enclosure<sup>1</sup>

<b>Issuing Agency/Office:</b>	FNS/SNAP
<b>Title of Document:</b>	SNAP Provisions in the Consolidated Appropriations Act, 2021 – Questions and Answers – Section 702(a), (b), and (d)
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<b>Summary:</b>	The Consolidated Appropriations Act, 2021 temporarily increases SNAP benefits and creates an exclusion for a Federal pandemic unemployment compensation payment from SNAP income and resources. This document provides questions and answers related to these provisions to support States in implementation of them.
<b>Disclaimer:</b>	The contents of this guidance document do not have the force and effect of law and are not meant to bind the public or FNS in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

### A. Temporary Increase to Maximum Monthly Allotments

#### 1. Is the temporary increase in benefits calculated as an increase to a household's base benefit amount or its supplemented Emergency Allotment amount?

**Response:** The Consolidated Appropriations Act, 2021 increases SNAP benefits by raising maximum allotments to 115 percent of the June 2020 value of the Thrifty Food Plan (TFP).

This temporary increase is effective from January 1, 2021, through June 30, 2021. For that time period, States must calculate household benefit allotments based on the temporary increase using the benefit calculation methodology provided by Section 8(a) of the Food and Nutrition Act of 2008, multiplying the household's net monthly income by 0.3 and subtracting the result from the temporarily increased maximum monthly allotment for their household size.

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<sup>1</sup> Pursuant to the Congressional Review Act and Executive Order 13891, the Office of Information and Regulatory Affairs has designated this document as not major and not significant.

After the State has calculated a household's benefit allotment based on the temporary increase to the maximum monthly allotment, the State must consider its impact on the amount in Emergency Allotment (EA) that the household receives as a supplement. This supplement, combined with the updated household benefit, would equal the new maximum benefit allotment amount for the household size.

States must differentiate between the amount the household is eligible to receive as its base allotment and the amount it receives as an EA supplement. If not, States will be unable to provide the required monthly reports of EA supplement amounts issued and States will be unprepared to issue accurate benefit allotments when their eligibility to issue EA supplements lapses.

**2. Do States need to specifically report on the FNS-388 and FNS- 46 forms the amount of benefits issued due to the temporary increase?**

**Response:** Issuance reports from January 2021 through June 2021 should report the temporary increase as a part of regular ongoing issuance and continue to report Emergency Allotments separately.

**3. What are the requirements for State agencies to communicate this increase to SNAP households?**

**Response:** The Consolidated Appropriations Act, 2021, provides that this increase is to be considered a "mass change" and requires a simple process for States to notify households of the increase in benefits. Procedures for mass changes, including notification guidelines, are included at 7 CFR 273.12(e).

Pursuant to 7 CFR 273.12(e)(1)(ii), at a minimum, the State agencies shall publicize this mass change through news media; posters in certification offices, issuance locations, or other sites frequented by certified households; or general notices mailed to households. In addition, due to the COVID-19 pandemic, States may want to take advantage of online outreach or other broad-reaching publicity materials. State agencies also have the option to send households individualized notices of the increase in benefits.

**4. Some three or more person households previously determined eligible for SNAP but entitled to no benefits may now receive benefits under the temporarily increased maximum monthly allotments. How should State agencies address these cases?**

**Response:** A household of three or more members can be found eligible for SNAP but not eligible for a benefit because their income exceeds the level at which benefits are issued. In this scenario, State agencies have the option to either deny the household's application on the grounds that its net income exceeds the level at which benefits are issued; or certify the households but suspend its participation (sometimes referred to as a "zero benefit household"), subject to the conditions at 7 CFR 273.10(e)(2)(iii).

Some of these households may have income levels that would now result in eligibility for a benefit under the temporary increase in maximum monthly allotments. States that selected the option to certify a zero benefit household and suspend its participation should convert these households' statuses from suspension to issuance. States that selected the option to deny eligible households entitled to no benefits, however, may not provide these households with benefits automatically. Households that may now be eligible would need to reapply in order to begin receiving benefits.

Households who are now eligible under the temporary increase to maximum monthly allotments that reapply should be assigned the longest certification period possible, consistent with its circumstances, per 7 CFR 273.10(f)(3). Changes to the maximum monthly allotments must be treated as a mass change, and States must follow procedures outlined at 7 CFR 273.12(e), as applicable.

#### **5. Did the minimum benefit change?**

**Response:** The minimum benefit is 8 percent of the maximum allotment for a household of one. For January 1, 2021, through June 30, 2021, the minimum benefit is increased from \$16 to \$19.

### **B. Excluding Pandemic Unemployment Compensation Payments**

#### **6. Which pandemic unemployment payments are excluded from SNAP income?**

**Response:** Sec. 702(d) of the Consolidated Appropriations Act, 2021<sup>2</sup>, excludes Federal pandemic unemployment compensation payments from eligibility determinations and benefit calculations in two ways. First, States must exclude the Federal pandemic unemployment compensation payment from income. Second, States must exclude the Federal pandemic unemployment compensation payment from resources for the month of receipt and the 9 months following receipt.

This exclusion is limited to pandemic unemployment compensation payments authorized under Sec. 2104 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). These payments are the initial Federal unemployment compensation payment of \$600, the additional \$300 payment, and the \$100 Federal mixed earner unemployment compensation payment, all of which are provided for by Sec. 2104(b) of the CARES Act, as it was amended by the Consolidated Appropriations Act, 2021.

The exclusion does not apply to pandemic unemployment assistance payments or pandemic emergency unemployment compensation authorized under sections 2102 and 2107 of the CARES Act.

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<sup>2</sup> Division N, Title VII, Subtitle A, Chapter 1

Pandemic unemployment assistance payments and pandemic emergency unemployment compensation are considered unearned income for SNAP purposes.

This answer updates question A2 in the memo “Supplemental Nutrition Assistance Program – Questions and Answers, COVID-19, Set #1” issued April 11, 2020, and available here: <https://www.fns.usda.gov/snap/covid-19/snap-questions-and-answers-covid-19-set-1>.

**7. What is the effective date for the exclusion of Federal pandemic unemployment compensation payments and for how long are these payments excluded? Does the exclusion apply retroactively?**

**Response:** This exclusion is effective upon enactment, December 27, 2020, and cannot be applied retroactively to a time before December 27, 2020. These payments are excluded from income and excluded as a resource for the month of receipt and the following 9 months.

**8. Does this exclusion include State unemployment benefits?**

**Response:** No, this exclusion only includes Federal pandemic unemployment compensation payments authorized under Sec. 2104 of the CARES Act and does not extend to State unemployment benefits.

**9. Does this exclusion included Federal mixed earner unemployment compensation payments?**

**Response:** Yes, mixed earner unemployment compensation payments are a type of Federal pandemic unemployment compensation payment authorized under Sec. 2104 of the CARES Act. Mixed earner unemployment compensation payments are an additional \$100 in Federal pandemic unemployment compensation payments available to individuals that received at least \$5,000 in self-employment income in the past year. As referenced in Question 6, these payments are excluded from income in the month received and as a resource for the 9 months following receipt.

**10. For States that issue unemployment benefits as a combined sum, may the State agency subtract the value of a household’s Federal pandemic unemployment compensation payment to determine the total amount of countable unemployment benefits?**

**Response:** If a Federal pandemic unemployment compensation payment is not issued in a manner that is separate from other, countable unemployment benefits, the State should follow verification requirements at 7 CFR 273.2(f) and use the best available information

to determine the total amount of countable income from unemployment benefits. This may include subtracting the amount of Federal pandemic unemployment compensation payments (\$300 for most households, \$400 for those households also receiving mixed earner unemployment compensation) from the total amount of unemployment benefits a household receives if the excluded Federal pandemic unemployment compensation payments are not issued separately.