



SEP 30 2009

United States
Department of
Agriculture

Food and
Nutrition
Service

3101 Park
Center Drive

Alexandria, VA
22302-1500

SUBJECT: Improving Access to SNAP through Broad-Based Categorical Eligibility

TO: Regional Administrators
All Regions

We would like to highlight the potential of expanded categorical eligibility to enhance Supplemental Nutrition Assistance Program (SNAP) operations and accessibility. We recognize that your staff has been instrumental in supporting States' adoption of expanded categorical eligibility, and are pleased that over half of the States have adopted this policy to date. We encourage you to continue promoting expanded categorical eligibility as a way to increase SNAP participation and reduce State workloads.

In these times of rising caseloads and shrinking State budgets, expanded categorical eligibility can benefit States by simplifying policies, by reducing the amount of time States must devote to verifying resources, and by reducing errors. It can benefit families hurt by the economic crisis. For example, families with low incomes and modest assets will be eligible for benefits. It can extend food assistance to families with high expenses but gross incomes slightly higher than the normal gross income test. Applicants will not need to provide documentation verifying their resources. Finally, adopting expanded categorical eligibility can promote asset accumulation among low-income families.

As you know, a household is categorically eligible for SNAP if the household receives a cash benefit, such as public assistance, general assistance, or Supplemental Security Income, or a TANF/MOE funded non-cash benefit, such as a pamphlet or counseling services. In the past, we have referred to non-cash categorical eligibility as "expanded categorical eligibility," "soft categorical eligibility," and "hard categorical eligibility." From this time forward, we will use the term, "broad-based categorical eligibility" to refer to the policy that makes most, if not all, households categorically eligible for SNAP because they receive a non-cash TANF/MOE funded benefit or service, such as an informational pamphlet or 800-number. We will use the term, "narrow categorical eligibility" to describe the policy that makes a smaller number of households categorically eligible for SNAP because they receive a TANF/MOE funded benefit such as child care or counseling. We believe that these terms, broad-based categorical eligibility and narrow categorical eligibility, better describe the policy.

Both narrow and broad-based categorical eligibility are non-cash categorical eligibility. We will refer to cash categorical eligibility as "traditional categorical eligibility." We have attached a handout and flow chart to help you and your States with the complex regulations that define and regulate categorical eligibility. Please feel free to share these tools with your States.

AN EQUAL OPPORTUNI

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

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We believe that increasing the number of States that implement broad-based categorical eligibility will benefit families hurt by the economic crisis, promote savings among low-income households, and simplify State policies. Please encourage your States to adopt broad-based categorical eligibility to improve SNAP operations in your States.

If you have any questions or need more information, please contact Moira Johnston at 703-305-2515 or Sasha Gersten-Paal at 703-305-2507.

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Jessica Shahin
Associate Administrator
Supplemental Nutrition Assistance Program

Enclosures

Enclosure

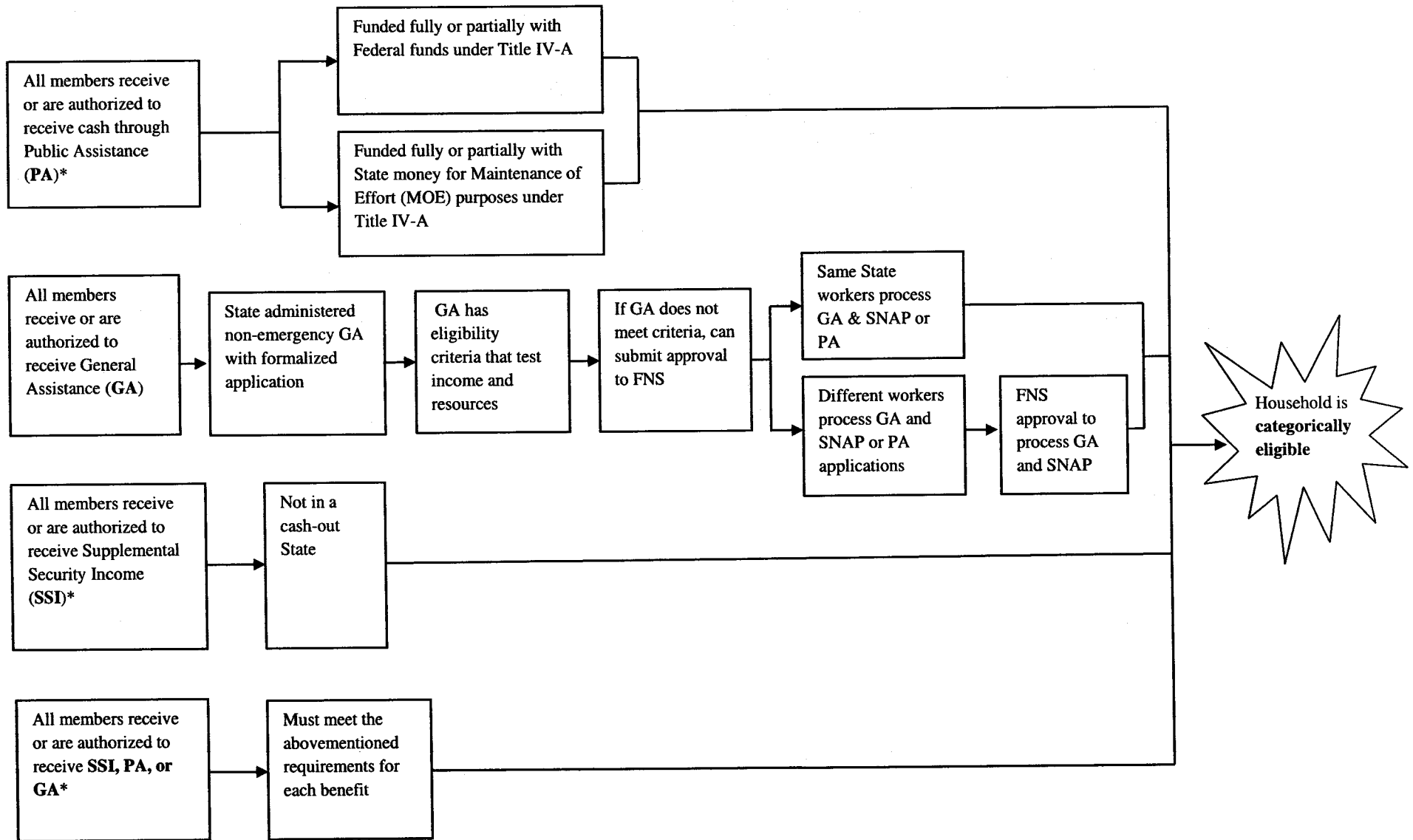
The Supplemental Nutrition Assistance Program's (SNAP) regulations (7 C.F.R. § 273.2(j)) address categorical eligibility. The regulations distinguish between **cash and non-cash categorical eligibility**. Cash categorical eligibility refers to households in which all members receive or are authorized to receive cash benefits from the following programs: General Assistance, Public Assistance, or Supplemental Security Income. Non-cash or in-kind categorical eligibility includes programs and services that do not provide cash to recipients, but are funded by the Temporary Assistance for Needy Families (TANF) Program, either by the Federal or State Maintenance of Effort (MOE) share. These services could include transportation vouchers, childcare, counseling Programs, parenting classes, pamphlets, or referrals to TANF-funded services. When a household is categorically eligible, it means that the State Agency does not use certain Program rules, such as asset and gross income limits; these households must meet all other SNAP rules and have net incomes low enough to be eligible for a benefit.

At the Food and Nutrition Service (FNS), we refer to cash categorical eligibility as **traditional categorical eligibility**. We differentiate non-cash categorical eligibility into two categories: **narrow and broad-based categorical eligibility**. We previously referred to these categories as hard and soft categorical eligibility, respectively; we have also referred to soft categorical eligibility as expanded categorical eligibility. Narrow categorical eligibility describes a TANF/MOE-funded benefit, such as childcare or counseling, for which a small subset of the SNAP population is eligible. Even though all households that receive this benefit are eligible for SNAP, the households make up a relatively small share of the SNAP population. Broad-based categorical eligibility describes a TANF/MOE funded benefit or service for which most, if not all, SNAP households are eligible, such as an informational pamphlet or an 800-number to call to locate TANF-funded services. Both narrow and broad-based categorical eligibility would fall under non-cash categorical eligibility. In over half of States, SNAP households are categorically eligible under a broad-based TANF/MOE funded Program; these households must still meet eligibility requirements to qualify for benefits.

Many of the categorical eligibility regulations refer to the purposes of the TANF grant. The four purposes of the TANF block grant are:

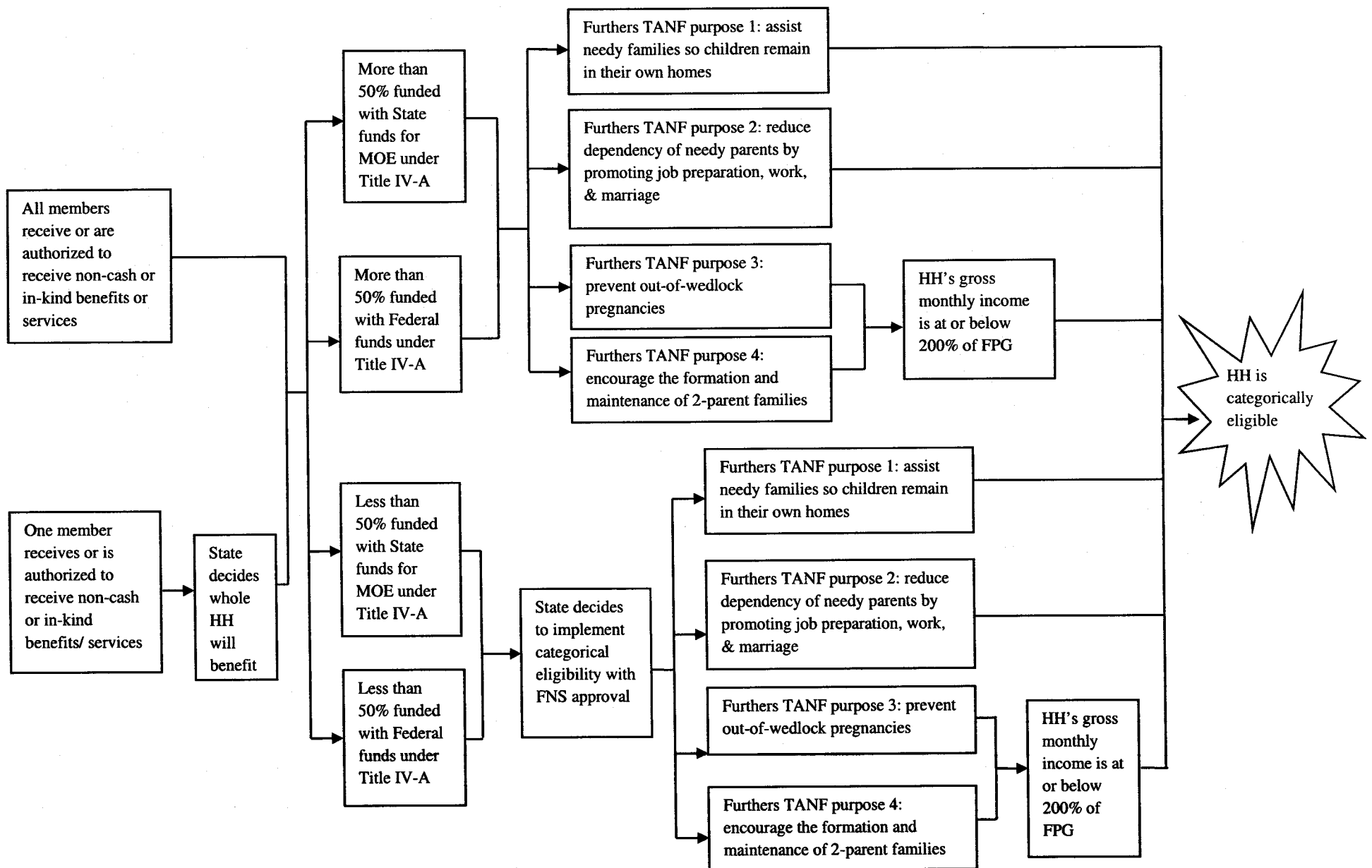
1. Assisting needy families so that children can be cared for in their own homes
2. Reducing the dependency of needy parents by promoting job preparation, work and marriage
3. Preventing out-of-wedlock pregnancies
4. Encouraging the formation and maintenance of two-parent families

CASH BENEFITS: Households are categorically eligible if...¹



¹ Assuming household meets SNAP's definition of a household (includes all who purchase and prepare meals together) and does not include anyone who is institutionalized or has been disqualified from SNAP

NON-CASH BENEFITS: Households are categorically eligible if...²



² Assuming household meets SNAP's definition of a household (includes all who purchase and prepare meals together) and does not include anyone who is institutionalized or has been disqualified from SNAP

Households are not categorically eligible if:

- Entire household is institutionalized
- Any member is disqualified for intentional program violation or for failure to comply with monthly reporting requirements
- Household is disqualified because one or more of its members failed to comply with workfare
- Head of household is disqualified for failing to comply with work requirements.
- Any member of household is ineligible because of a drug-related felony
- Household refuses to provide State Agency with enough information to determine eligibility

No one can be included in a household that is otherwise categorically eligible if the person is:

- An ineligible alien
- A student who is ineligible under the student provisions
- An SSI recipient in a cash-out State
- Institutionalized in a non-exempt facility
- Ineligible because of failure to comply with work requirements
- Failing to provide or apply for a social security number
- Disqualified for intentional Program violation
- On strike

If the household is categorically eligible, the following still applies:

- Work registration requirements (and exemptions, if they apply)

If the household is categorically eligible, verification of the following eligibility factors is not required:

- Resource limits
- Gross and net income limits
- Residency (must be verified through the other program, but State must use SNAP residency verifications if TANF program has stricter rules)