



Week 2



Poverty Law I - Fall 2023
Prof. Meghan Scully





Defining and Measuring Poverty



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What is Poverty?

Poverty is not having enough money to pay for basic necessities, including food, shelter, and clothing.

How is Poverty Measured?

How do we measure poverty?

The United States Government measures poverty by comparing a family's or individual's income to the minimum amount of food needed to cover basic needs.

Federal Poverty Thresholds

- Statistical calculation used by the federal government to determine the number of people experiencing poverty in the the United States
 - *Official Poverty Measure*
 - *Supplemental Poverty Measure*
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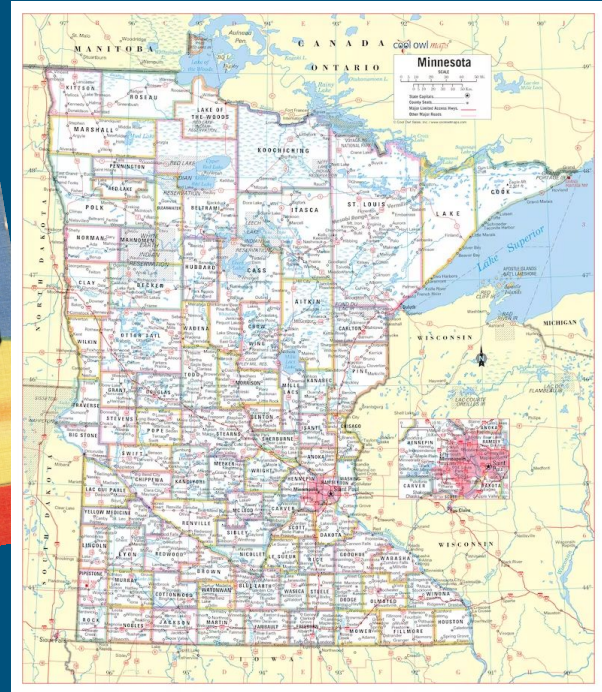
Federal Poverty Guideline (FPG)

- Issued annually by the Department of Health and Human Services
 - Used to determine financial eligibility for certain programs
 - Simplified version of the poverty measure
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2023 Poverty Guidelines
48 contiguous states and the District of Columbia

Persons in family/household	Poverty Guideline
1	\$14,580
2	\$19,720
3	\$24,860
4	\$30,000
5	\$35,140
6	\$40,420
7	\$45,420
8	\$50,560

Self-Sufficiency Standard: Minnesota



Self-Sufficiency Standard

"The Self-Sufficiency Standard defines the income working families need to meet their basic necessities without public or private assistance. Basic minimum needs include: housing, child care, food, transportation, health care, miscellaneous expenses (clothing, telephone, household items), and taxes (minus federal and state tax credits) plus an additional calculation for emergency savings. The Standard is calculated for 719 different family types for each county or area in a state."

- <https://selfsufficiencystandard.org/>

Review: Eligibility

- Income and Assets Limits
- Household Composition and requirements
- Benefit Amount Calculations
- Work/School Requirements and Exceptions
- Time limits
- Entitlement (categorically eligible)
 - Age
 - Disability
 - Employment Status
 - Minor Child in Household

Review: Representing the Whole Client

- Spotting legal issues
- Spotting social service issues
- Spotting basic living needs issues



Food Support



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Supplemental Nutrition Assistance Program



SNAP: The Law

7 U.S.C 2011 - 2036

7 CFR 271.1-281.1

Minn. Stat.256D.62 and Minn. Stat. 256J.28

SNAP: Benefit Amount and Thrifty Food Plan

Maximum Benefit Amount

People in your household	Amount to spend on food each month
1	\$250
2	\$459
3	\$658
4	\$835
5	\$992
6	\$1,190
7	\$1,316
8	\$1,504
For each additional person over 8...	Add \$188

SNAP: Eligible Purchases

— SNAP can be used to buy only food, beverages, and food-producing seeds or plants.

It cannot be used for

- alcohol,
- tobacco,
- pet food,
- soap,
- toothpaste,
- toilet paper,
- diapers,
- non-prescription drugs

SNAP: Application Process

- Counties receive and process SNAP applications
- Household must complete a the Combined Application Form.
- Individuals or couples over the age of 60 complete the 1-page Senior Snap Application
- Online: <https://mnbenefits.mn.gov/>

SNAP: Interview

- An application interview is required and may take place face to face, over the phone or other convenient location.
- At home interviews (pre-pandemic) must be provided when requested and if 1 of the following “hardship conditions” applies:
 - Illness
 - Transportation difficulties
 - Care of a unit member
 - Hardships due to living in a rural area
 - Prolonged severe weather
 - Work or training hours that prevent the client from participating in an in-office interview
 - Other conditions that prevent the client from participating in an in-office interview

SNAP: Processing Times

“The State agency shall provide eligible households that complete the initial application process an opportunity to participate (as defined in § 274.2(b)) as soon as possible, but **no later than 30 calendar days following the date the application was filed...**” 7 CFR 273.2 (g)(1)

SNAP: Application Processing Delays

- 7 CFR 273.2 (g)
- 7 CFR 273.2 (h)(1) - (4)

SNAP: Households

- A **SNAP household** is “a group of individuals who live together **and** customarily purchase food and prepare meals together for home consumption.” 7 CFR 273.1(a)
- The following groups of people who **live together** are considered to “customarily purchase and prepare meals together”:
 - Spouses
 - Biological and adoptive parents and their children under the age of 22
 - Children under the age of 18 under the parental control of a household member 7 CFR 273.1(b)

SNAP: Categorical Exclusions

- People **living in institutions** are generally ineligible for SNAP.
 - “Individuals must be considered residents of an institution when the institution provides them with the majority of their meals (over 50 percent of three meals daily) as part of the institution's normal services.” 7 CFR 273.1(b)(7)(vi)
- Exceptions:
 - Residents of federally subsidized housing for the elderly
 - Individuals residing at a facility or treatment center for the purpose of regular participation in a drug or alcohol treatment and rehabilitation program
 - Individuals who are disabled or blind and are residents of group living arrangements
 - Women or women with their children who are temporarily residing in a shelter for battered women and children
 - Residents of public or private nonprofit shelters for homeless persons.
 - 7 CFR 273.1(b)(7)(vi) (A) - (E)

SNAP: Categorical Exclusions

- “Fleeing felons” are ineligible. 7 CFR 273.11(n)(1)
- “Probation and parole violators” are ineligible. 7 CFR 273.11(n)(2)
- [DHS COMBINED MANUAL 001.27 - Criminal Convictions](#)

SNAP: Controlled Substance Convictions

Old Minnesota Policy:

- A person applying for or receiving SNAP who admits in writing on the CAF that he/she committed and was **convicted of a drug felony within 10 years from the date of application or recertification**, is subject to random drug testing as a condition of continued eligibility.

SNAP: Controlled Substance Convictions

New Minnesota Law:

- Random drug testing is optional.
- Agency cannot deny or terminate benefits for a person who tests positive or fails to show up for a random drug testing.
- When an agency chooses to require random drug testing and a person tests positive for an illegal controlled substance, the agency must provide them with information about substance use disorder treatment programs. DHS provides basic information about accessing treatment.

SNAP: Categorical Exclusions

- **Students** enrolled at least half-time in an institution of higher education are ineligible .
7 CFR 273.5(a)
- **Exceptions**
 - age 17 or younger or age 50 or older
 - physically or mentally unfit
 - MFIP recipient
 - working in paid employment a minimum of 20 hours per week
 - participating in work study
 - responsible for the care of a dependent household member under the age of 12
 - 7 CFR 273.5(b) (1) - (10)

SNAP: ABAWD Work Requirements

Time Limit Work Rules or ABAWD Rules: In Minnesota, most Able-Bodied Adults without Dependents (ABAWDs) between 18 and 49 can get SNAP only 3 months in a 36-month period, unless they exempt from the work requirements. 7 CFR 273.7 Minn. Stat. 256D. 60, subd. 1 and 4., CM 0011.24

- Exceptions . 7 CFR 273.7 (b), CM 0011.24 and CM 0028.06.12
- Work rules were suspended during the pandemic.

SNAP: Income & Assets

Eligibility for SNAP is based on both a Gross Income Test and Net Income Test.

Gross Income Test: A household's gross income must be 200% FPG or less
Minn. Stat. § 256D.62

- **Gross Income** = earned income (before taxes & deductions) + unearned income

Net Income Test: A household's net income must be 100% of FPG or less. 7 CFR § 273.9 (a)(2)

- **Net Income** = Gross Income - allowable deductions, 7 CFR §273.10 (e)

SNAP: Gross Income and Net Income Test Exceptions

- No gross income or net income test for households where **everyone** receives:
 - General Assistance (GA)
 - Supplemental Security Income (SSI)
- No gross income test or net income test for households where **at least one person** is enrolled in:
 - Basic Sliding Fee Child Care Assistance
 - Transitional Year Child Care Assistance
- No gross income test for households that include a person who is disabled or age of 60 or older.
 - Net income test applies if household income is above 200% FPG.

Example 1: Determining SNAP Benefit Amount

- Lindy (age 59) and Walter (age 57) are married and live together.
- Lindy works 20 hours per week and earns \$15/hour
- Walter recently lost his job and received unemployment insurance of \$250/week or \$1,000/month
- The couple rents an apartment. They pay \$950/month. They are responsible for utilities.

Example: Determining SNAP Benefit Amount

Are Lindy and Walter eligible for SNAP?

Step 1: Gross Income Test

- Gross Income = Earned Income + Unearned Income
 - Earned income for Lindy and Walter = \$1300/month (Lindy's wages)
 - Unearned income for Lindy and Water = \$1000 month (Walter's UI)
- Gross Income = \$1300 + \$1000 = \$2300/month or **\$27,000/year**
 - 200% FPG for household of 2 = \$39,440
- Lindy and Walter's household income is below 200% FPG = Pass Gross Income Test.

Example: Determining SNAP Benefit Amount

Are Lindy and Walter eligible for SNAP?

Step 2: Net Income Test

- Net Income = Gross Income - Deductions
- SNAP Deductions
 - Standard Disregard = \$193
 - Earned Income Reduction = 20% of gross earned income
- \$2300/month gross income - \$193 (standard disregard) - \$260 (earned income disregard or 20% of Lindy's gross earned income) = **\$1,863 (adjusted net income)**
- \$1,863 (adjusted net income) - \$624 shelter allowance = **\$1,239 (net income) < \$1,643 (100% FPG) = Pass the Net Income Test**

Example: Determining SNAP Benefit Amount

Are Lindy and Walter eligible for SNAP?

Step 3: Calculate the Benefit Amount

- Subtract 30% of the unit's net income from the Thrifty Food Plan amount.
- **\$516 - \$371 = \$145**

Example 2: Determining SNAP Benefit Amount

- **New Facts** - Lindy is 60 years old and her gross earned income increased to \$1920/month
- Lindy (age 60) and Walter (age 57) are married and live together.
- Lindy works 30 hours per week and earns \$16/hour
- Walter recently lost his job and received unemployment insurance of \$250/week or \$1,000/month
- The couple rents an apartment. They pay \$950/month. They are responsible for utilities.

Example 2: Determining SNAP Benefit Amount

- No gross income test for households that include a person who is disabled or **age 60 or older**. Net income test applies if household's gross income is above 200% FPG. Because Lindy is age 60 there is no gross income test. Because the household's income is below 200% FPG (\$35,040) there is no net income test.

Example: Determining SNAP Benefit Amount

Are Lindy and Walter eligible for SNAP?

Step 2: Calculate Net Income

- Net Income = Gross Income - Deductions
- SNAP Deductions
 - Standard Disregard = \$177
 - Earned Income Reduction = 20% of gross earned income
- \$2920/month gross income - \$193 (standard disregard) - \$384 (earned income disregard or 20% of Lindy's gross earned income) = **\$2343 (adjusted net income)**
- \$2343 (adjusted net income) - \$624 shelter allowance = **\$1,719 (net income)**
 - **Would not have based the net income test**

Expedited SNAP

- Federal law mandates issuance of expedited food support within 7 days for those in extreme poverty. 7 U.S.C. § 2020(e)(9)
 - Household gross income less than \$150/month
 - Household gross income and liquid resources is less than the household's monthly rent, or mortgage and utilities
- State law requires issuance within 5 working days.
- Applicants seeking expedited benefits must affirmatively request them.