

Revised March 3, 2003

INDIVIDUAL EXEMPTIONS AVAILABLE BY STATE

States are able to exempt individuals who would otherwise be subject to the three-month time-limit, allowing certain childless 18-49 year-olds to continue receiving food stamps once they have exhausted their three months of benefits. Table 1 provides the total number of months of food stamps that each state can authorize with its individual exemptions during federal fiscal year 2003.

Exemptions not used in a fiscal year may be carried over to the next year. As Table 1 shows, most states have used far fewer exemptions than they were allotted, and therefore have large stores of exemptions that can be used in the future. In addition, states that use more than their allotment of exemptions in a given year are not subject to quality control errors or fiscal sanctions. Instead, the state's exemption allotment for the following year is simply reduced by the number of exemptions by which it exceeded its allotment. For these reasons, states may wish to consider more generous exemption policies than they have used in previous years. Examples of exemption policies are:

- **Exempt Individuals Living in Non-Waived Areas.** States can use exemptions in a specific geographic area to supplement a waiver that only covers part of a county or all non-waived areas in the state. For example, Arkansas, Florida, Illinois, South Carolina and Maine all exempt individuals living in non-waived areas.
- **Extend the Length of the Time-Limit.** The federal time-limit is three months out of every three years. States can use exemptions to increase the number of months of eligibility from three to six or nine months. Missouri and Pennsylvania use exemptions to lengthen the time-limit to six months in non-waived areas.

NOTE: States that use exemptions to lengthen the time-limit to six months could assign individuals subject to the time-limit to semi-annual reporting. This would allow states to provide food stamps to this population for six months and streamline administrative processes by reducing reporting and office visit requirements.

- **Exempt Certain Types of Individuals.** States may also choose to exempt individuals who meet certain criteria. Washington, for example, exempts clients that are working or in education but not the required 20 hours per week as well as homeless individuals who would otherwise be subject to the time-limit.

Understanding the Number of Exemptions

USDA informs states every year of the *average* number of exemptions that a state can grant each month. To arrive at the *total* number of case-months of benefits a state can provide over the course of the fiscal year (the figure shown on the attached table), the average number of exemptions per month must be multiplied by twelve. Since states generally report to USDA on the total number of benefit months they have authorized with their exemptions, comparing those reports to the total number of benefit months they had available seems easier than working with the numbers that USDA provides concerning each state's average monthly number of allowable exemptions.

The first column of Table 1 shows the total number of exemptions available to each state in federal fiscal year 2002. This number includes both exemptions allotted to the state in fiscal year 2002 and exemptions carried over from previous fiscal years. The second column shows the total number of exemptions used in fiscal year 2002. The third column shows the number of exemptions newly allotted to each state in federal fiscal year 2003. The last column shows the number of exemptions available in fiscal year 2003 including carryover from previous years. As described above, each column of the table contains numbers of single exemptions; none of the numbers in the table are average numbers of exemptions per month.

For example, the state of Alabama had 87,216 exemptions available to use in fiscal year 2002. Alabama used 8,170 of these exemptions in fiscal year 2002. In fiscal year 2003, Alabama received an additional 1,945 exemptions per month, or 23,339 total exemptions. Combining this with the carryover from previous years, Alabama has 102,385 exemptions to use in fiscal year 2003 (an average of 8,532 per month), or 12.5 times the number it used the previous year.

The Dollar Value of Exemptions

Unused exemptions are benefit dollars that low-income unemployed individuals do not receive and unrealized economic activity in the state. Table 2 provides an estimate of the value of each state's available exemptions for FY 2003 in food stamp benefit dollars. These figures are based on Congressional Budget Office estimates of the national average value of the benefits individuals subject to the time-limit receive. If a state has a generous General Assistance program available to these individuals, the table may overstate the size of the average food stamp allotment for this group in that state.

Nationally, \$480 million in food stamp benefits are available for these individuals through exemptions.

TABLE 1: INDIVIDUAL EXEMPTIONS AVAILABLE BY STATE

STATE	Total exemptions available, FY 2002 (including carryover)	Exemptions used, FY 2002	New exemptions available, FY 2003	Total exemptions available, FY 2003 (including carryover)
Alabama	87,216	8,170	23,339	102,385
Alaska	6,768	158	1,404	8,014
Arizona*	30,204	57,568	10,777	(16,587)
Arkansas	45,840	4,565	9,362	50,637
California	489,228	9,928	96,887	576,187
Colorado	22,416	3,831	4,811	23,396
Connecticut	25,764	2,148	5,322	28,938
Delaware	7,596	0	1,370	8,966
Dist. of Col.	0	0	0	0
Florida	89,280	100,145	26,609	15,744
Georgia	114,288	5,104	24,736	133,920
Guam	1,176	0	271	1,447
Hawaii**	25,152	15	4,731	29,868
Idaho	13,176	430	3,127	15,873
Illinois	40,740	56,269	32,913	17,384
Indiana	61,824	5,021	17,154	73,957
Iowa	14,760	16,330	5,227	3,657
Kansas	7,440	9,229	4,760	2,971
Kentucky	43,896	93	17,867	61,670
Louisiana**	10,500	22,911	16,271	3,860
Maine	20,640	5,884	5,092	19,848
Maryland	17,928	2,154	4,224	19,998
Massachusetts	43,368	1,824	9,954	51,498
Michigan	340,884	21	69,860	410,723
Minnesota**	24,108	3,410	8,935	29,633
Mississippi	78,216	2,997	19,644	94,863
Missouri	91,452	32,440	23,286	82,298
Montana	14,364	0	3,255	17,619
Nebraska	14,304	1,513	3,689	16,480
Nevada	21,204	10,049	5,853	17,008
New Hampshire	1,560	765	701	1,496
New Jersey	39,648	1,440	7,695	45,903
New Mexico	18,708	0	3,182	21,890
New York	251,652	20,357	58,473	289,768
North Carolina	87,396	16,146	28,917	100,167
North Dakota	8,328	0	1,826	10,154
Ohio	172,980	0	34,941	207,921
Oklahoma	79,452	0	16,862	96,314
Oregon	45,144	13,298	27,080	58,926
Pennsylvania	92,604	8,011	18,390	102,983
Rhode Island	6,108	0	1,180	7,288
South Carolina	26,268	6,395	9,181	29,054
South Dakota	5,640	883	1,347	6,104
Tennessee	146,412	1,187	31,068	176,293
Texas	267,000	5,846	52,582	313,736
Utah	11,664	2,338	2,586	11,912
Vermont	16,608	0	3,049	19,657
Virginia	111,996	0	20,359	132,355
Virgin Islands	2,052	0	315	2,367
Washington	30,696	10,486	11,315	31,525
West Virginia	30,408	177	8,640	38,871
Wisconsin	40,680	0	10,148	50,828
Wyoming	8,532	0	1,593	10,125
Total	3,305,268	449,536	812,160	3,667,892

* Arizona exceeded its exemption allotment

** The number of exemptions used in FY2002 was extrapolated from partial-year data

TABLE 2: VALUE OF UNUSED EXEMPTIONS

State	Number of Available Case-Month Exemptions FY 2003	Value of Case-Month Exemptions FY 2003*
Alabama	102,385	\$13,310,050
Alaska	8,014	\$1,041,820
Arizona	0	\$0
Arkansas	50,637	\$6,582,810
California	576,187	\$74,904,310
Colorado	23,396	\$3,041,480
Connecticut	28,938	\$3,761,940
Delaware	8,966	\$1,165,580
Dist. of Col.	0	\$0
Florida	15,744	\$2,046,720
Georgia	133,920	\$17,409,600
Guam	1,447	\$188,110
Hawaii	29,868	\$3,882,840
Idaho	15,873	\$2,063,490
Illinois	17,384	\$2,259,920
Indiana	73,957	\$9,614,410
Iowa	3,657	\$475,410
Kansas	2,971	\$386,230
Kentucky	61,670	\$8,017,100
Louisiana	3,860	\$501,800
Maine	19,848	\$2,580,240
Maryland	19,998	\$2,599,740
Massachusetts	51,498	\$6,694,740
Michigan	410,723	\$53,393,990
Minnesota	29,633	\$3,852,290
Mississippi	94,863	\$12,332,190
Missouri	82,298	\$10,698,740
Montana	17,619	\$2,290,470
Nebraska	16,480	\$2,142,400
Nevada	17,008	\$2,211,040
New Hampshire	1,496	\$194,480
New Jersey	45,903	\$5,967,390
New Mexico	21,890	\$2,845,700
New York	289,768	\$37,669,840
North Carolina	100,167	\$13,021,710
North Dakota	10,154	\$1,320,020
Ohio	207,921	\$27,029,730
Oklahoma	96,314	\$12,520,820
Oregon	58,926	\$7,660,380
Pennsylvania	102,983	\$13,387,790
Rhode Island	7,288	\$947,440
South Carolina	29,054	\$3,777,020
South Dakota	6,104	\$793,520
Tennessee	176,293	\$22,918,090
Texas	313,736	\$40,785,680
Utah	11,912	\$1,548,560
Vermont	19,657	\$2,555,410
Virginia	132,355	\$17,206,150
Virgin Islands	2,367	\$307,710
Washington	31,525	\$4,098,250
West Virginia	38,871	\$5,053,230
Wisconsin	50,828	\$6,607,640
Wyoming	10,125	\$1,316,250
Total	3,684,479	\$478,982,270

* The Value of Case-Month Exemptions is calculated by multiplying the Number of Available Case-Month Exemptions by \$130, the CBO estimate of the average monthly benefit in 2003 for individuals between the ages of 18 and 50 who are not disabled and do not have dependents