



Webinar 3: Income and Budgeting

November 19, 2014

Agenda

- Introduce CBPP SNAP Team and Center for Civil Justice
- SNAP Income Framework
- Income Rules
- SNAP Budgeting
- Questions

CBPP– SNAP Team



Bob
Greenstein



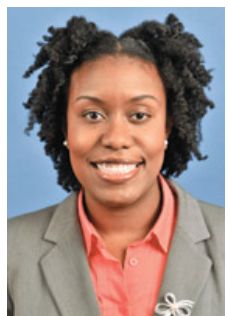
Stacy
Dean



Ed
Bolen



Brynne
Keith-
Jennings



Ty
Jones



Catlin
Nchako



Dottie
Rosenbaum

Guest Presenter



Elan S. Nichols, Esq.
Staff Attorney
Center for Civil Justice
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The Center for Civil Justice (CCJ) advocates for people in Michigan who need help meeting their basic needs. CCJ uses legal expertise, informed by the experiences of low income people, to monitor and improve public policy and access to governmental programs and services.

SNAP Income Framework

Family One



- 3 member household.
- Gross income = \$1500
- Receives child care subsidy and rental assistance.
- Net income = \$1000
- Estimated SNAP amount = \$211

Family Two



- 3 member household
- Gross income = \$1500
- Doesn't receive child care or rental assistance.
- Net income = \$700
- Estimated SNAP amount = \$301

SNAP Income Eligibility Standards

Household Size	Gross monthly income (130 percent of poverty)	Net monthly income (100 percent of poverty)
1	\$1,265	\$ 973
2	1,705	1,311
3	2,144	1,650
4	2,584	1,988
5	3,024	2,326
6	3,464	2,665
7	3,904	3,003
8	4,344	3,341
Each additional member	+440	+339

SNAP Income Eligibility Standards October 1, 2014 – September 30, 2015

What is Income?

– Income is:

- Household income from all sources excluding certain income;
- Calculated on a monthly basis, and;
- Can be “earned” or “unearned.”

Countable Income – Earned

Job or self-employment earnings for adults 18 and older



Training Allowances from vocational and rehabilitative programs

Educational Assistance with a work requirement (work study, fellowships)

On-the-job training program earnings

Any other “earned” income as defined in rules

Countable Income – Unearned

Social Security/SSI,
Pension, Retirement

State public
assistance payments
(disability, TANF,
veterans)

Unemployment
Compensation

Child Support or
Alimony Payments

Rental Income

All other unearned
income

Examples of Excluded Income



Irregular or infrequent income less than \$30 a quarter



Education Assistance (grants, scholarships, some work study)



Earned income of a minor



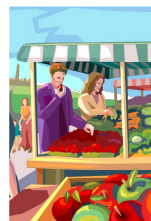
Adoption Subsidies



Loans



EITC

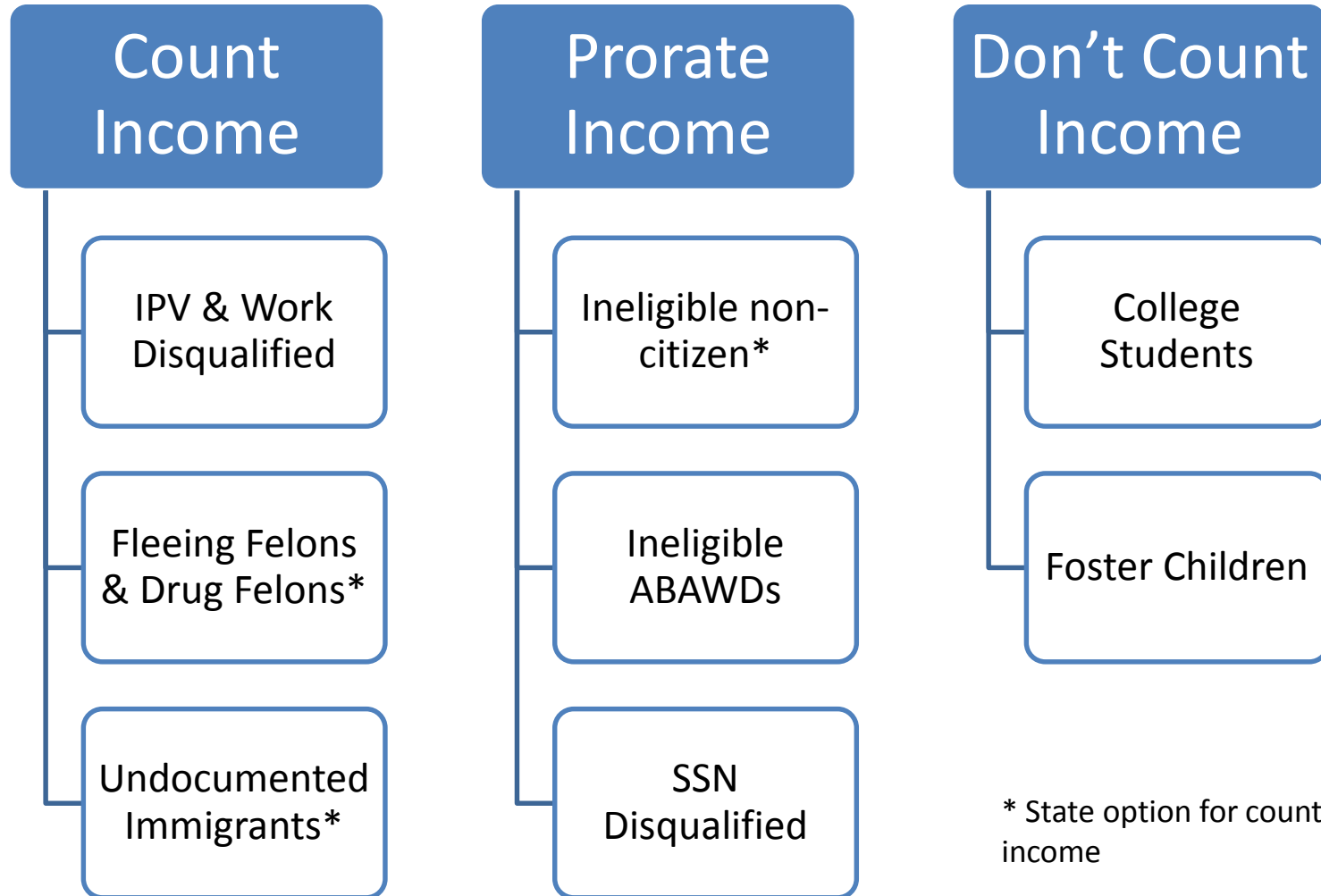


In-kind benefit and vendor payments



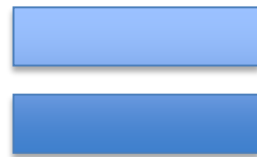
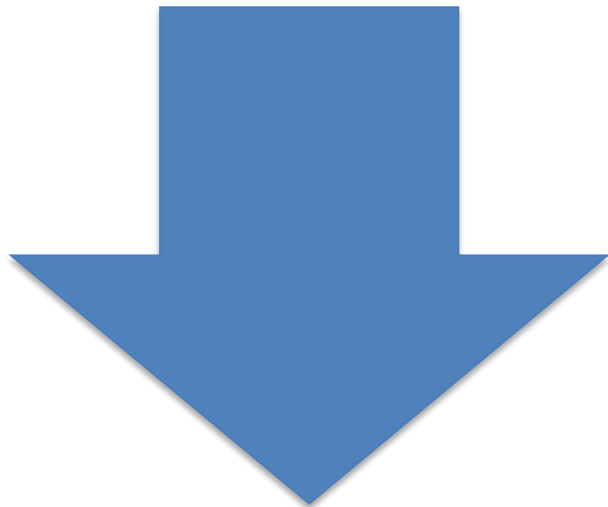
Non-recurring lump sum (tax refunds, etc.)

Income of Ineligible Household Members

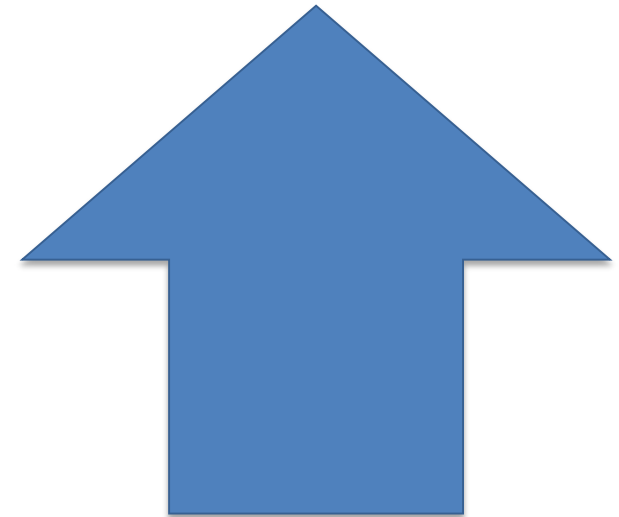


The Importance of Income in SNAP

Family's Net Income



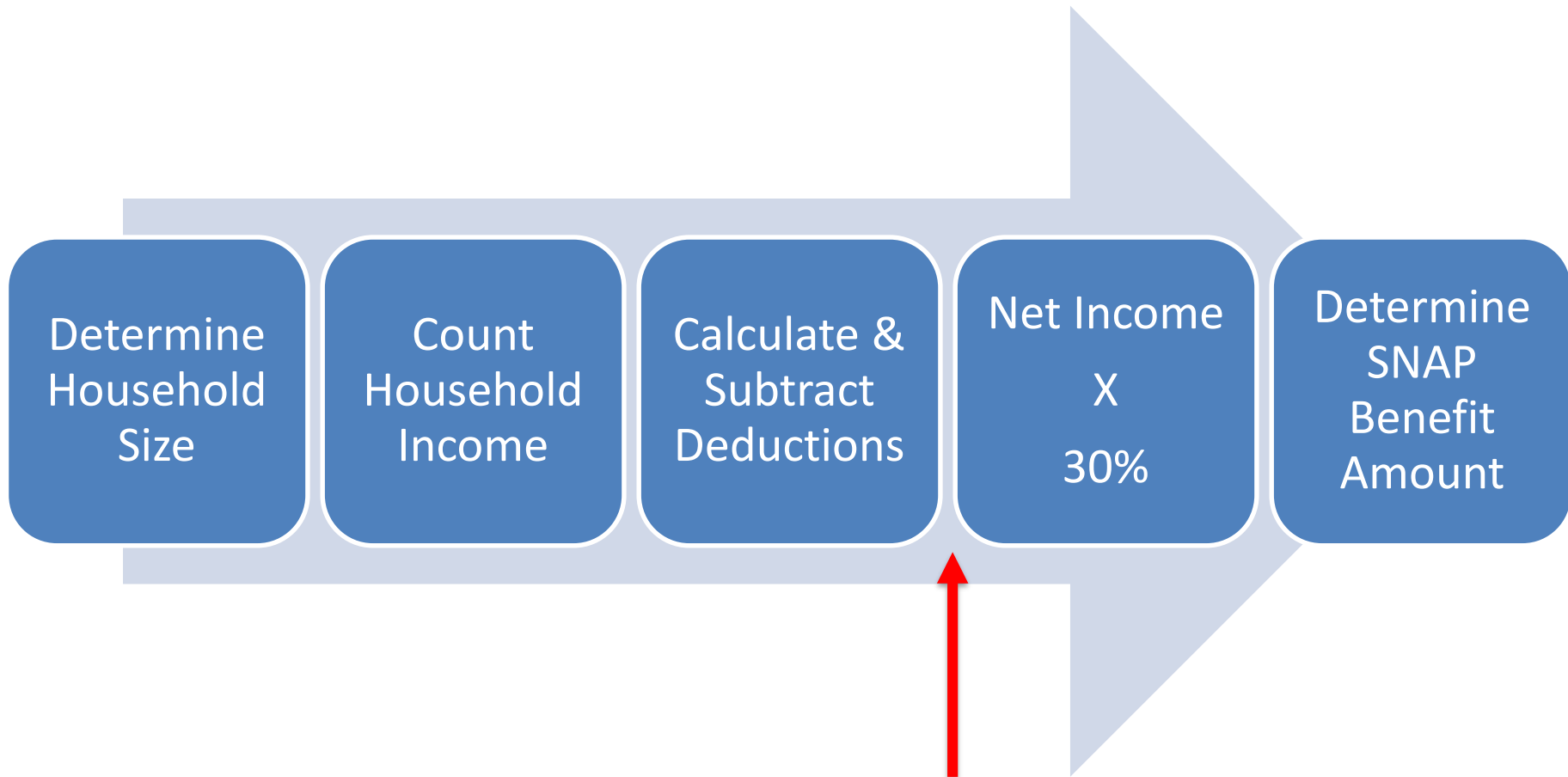
SNAP Responds



Impacts Household's
Ability to Purchase
Food

Higher SNAP Benefits

SNAP Benefit Calculation Process



Net income determined = money available to purchase food.

Step 1: Determine Household Size

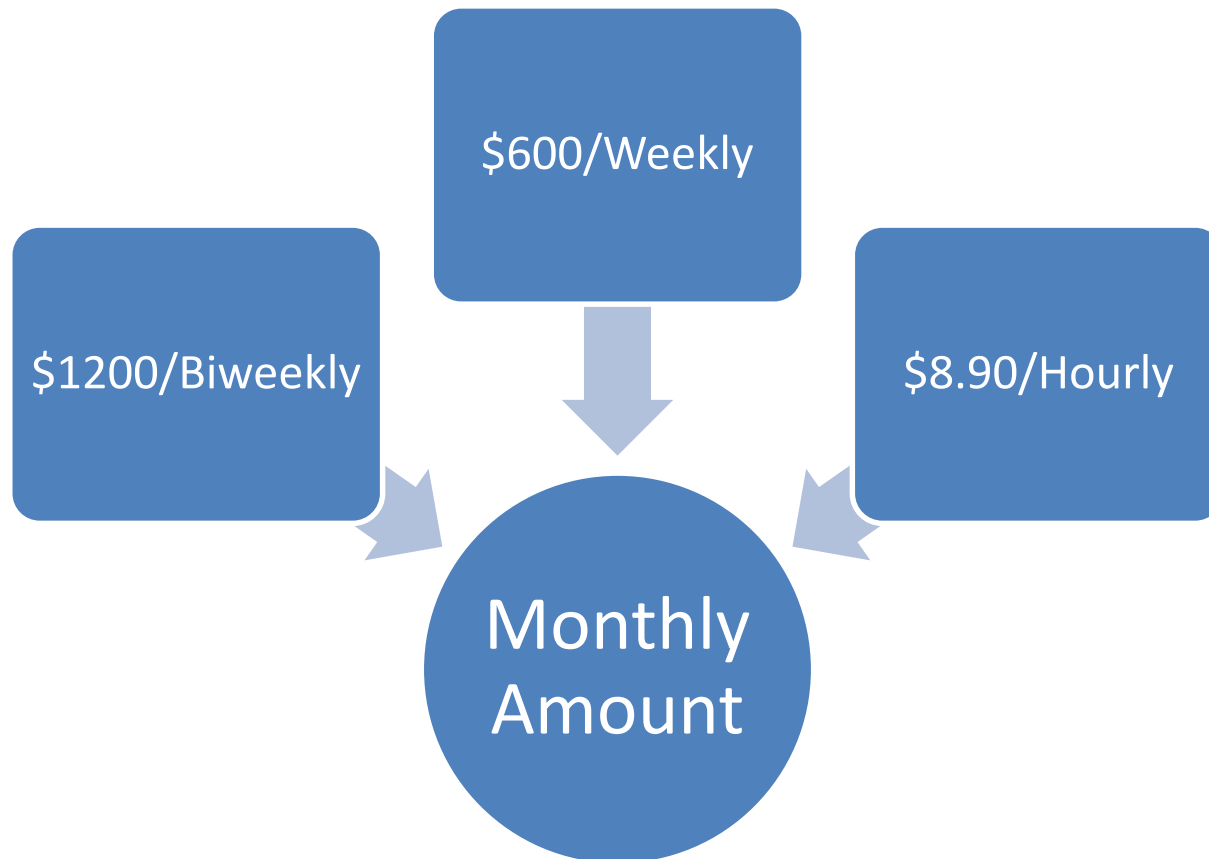
Household members are:

- Those who purchase and prepare food together, and
- Are not excluded from the SNAP household for other reasons.



Step 2 – Determine Income

Count all income – earned and unearned of household members.



Step 3: Calculate & Subtract Deductions



Earned
Income



Standard



Dependent
Care



Medical
Expenses



Shelter
Expenses



Step 4: Determine Net Income

$$\left(\text{Gross Monthly Income} \right) - \left(\text{Deductions} \right) = \text{Net Income}$$

Example:

$$\left(\begin{array}{c} \$1000 \\ \text{Gross Monthly Income} \end{array} \right) - \left(\begin{array}{c} \$400 \\ \text{Deductions} \end{array} \right) = \begin{array}{c} \$600 \\ \text{Net Income} \end{array}$$

Step 5: Determine SNAP Amount

$$\left(\begin{array}{l} \text{Maximum SNAP} \\ \text{Benefit for Household} \\ \text{Size} \end{array} \right) - \left(\begin{array}{l} 30\% \text{ of} \\ \text{net} \\ \text{income} \end{array} \right) = \text{SNAP Amount}$$

Example:

$$\left(\begin{array}{l} \$511 \\ \text{Household of 3} \end{array} \right) - \left(\begin{array}{l} \$180 \\ 30\% \text{ of net} \\ \text{income of } \$600 \end{array} \right) = \begin{array}{l} \$331 \\ \text{SNAP Amount} \end{array}$$

The Return of the Blue Family



Marcy lives with her 2 children, James 19 years old and Lisa 15 years old. Marcy earns \$1500 a month. James attends college part-time and works part-time earning \$400 a month.

How many household members? How much in SNAP benefits would they receive?

Calculating the Blue Family's SNAP Benefits – Step 1

Gross income = \$1,900

Earned Income Deduction = \$380

Standard Deduction = \$155

Medical Expense Deduction = N/A

Dependent Care Deduction = \$35

Pre-shelter net income = \$1,330

Calculating the Blue Family's SNAP Benefits – Step 2

Pre-shelter net income =
\$1,330

Shelter Deduction Calculation

1) Take 50% of household net income after earned, standard and dependent care deductions:

$$\$1,330 \div 2 = \$665$$

2) Determine shelter expenses (rent, insurance, utilities):

$$\text{Total shelter expenses} = \$1000$$

3) Subtract 50% of net income from total shelter expenses to get excess shelter deduction:

$$\$1000 - \$665 = \underline{\$335}$$

Excess Shelter Deduction = \$335

Final net income = \$995

Calculating the Blue Family's SNAP Benefits – Step 3

$$\left(\text{Gross Monthly Income} \right) - \left(\text{Deductions} \right) = \text{Net Income}$$

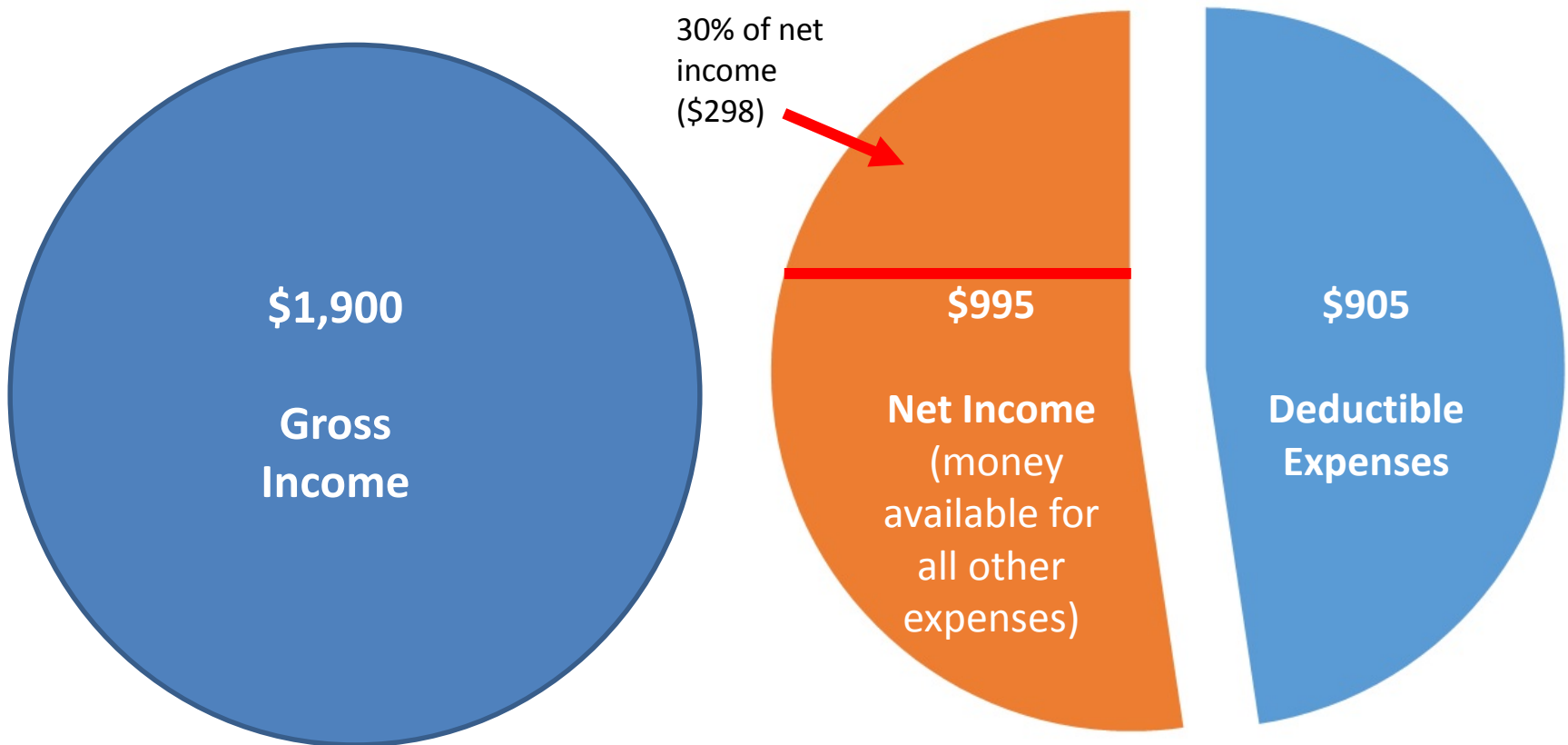
$$\left(\begin{array}{c} \$1,900 \\ \text{Gross Monthly Income} \end{array} \right) - \left(\begin{array}{c} \$905 \\ \text{All deductions} \end{array} \right) = \begin{array}{c} \$995 \\ \text{Final net Income} \end{array}$$

Calculating the Blue Family's SNAP Benefits – Step 4

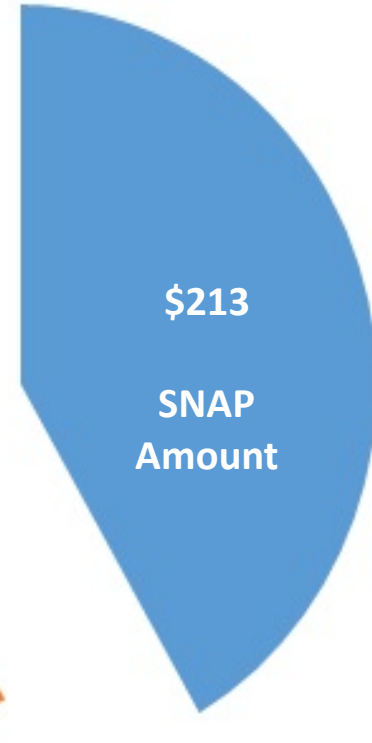
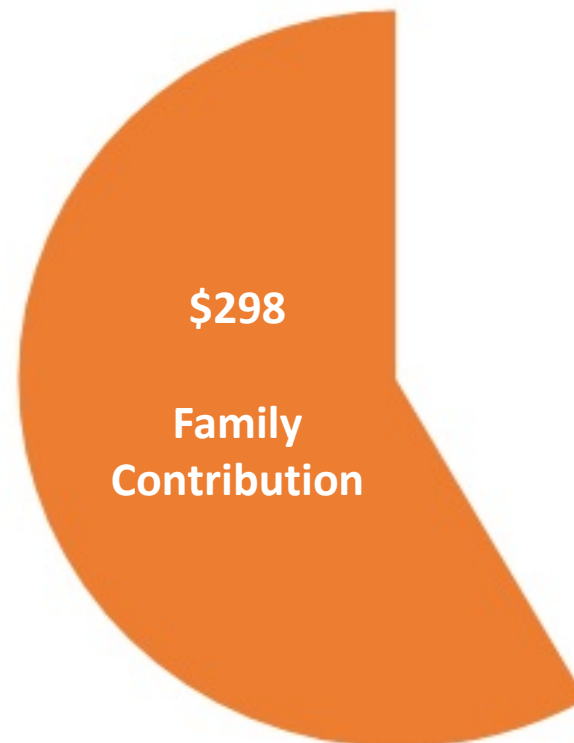
$$\left(\begin{array}{l} \text{Maximum SNAP} \\ \text{Benefit for Household} \\ \text{Size} \end{array} \right) - \left(\begin{array}{l} \text{30\% of} \\ \text{net} \\ \text{income} \end{array} \right) = \text{SNAP Amount}$$

$$\left(\begin{array}{l} \text{\$511} \\ \text{Household of 3} \end{array} \right) - \left(\begin{array}{l} \text{\$298} \\ \text{30\% of final net} \\ \text{income of \$995} \end{array} \right) = \text{\$213 SNAP Amount}$$

Second Look at Blue Family



SNAP Meeting Need



Next SNAP Academy Webinars

- Deductions – 12/17/14
- Applications – 1/21/15
- Renewing Benefits/Recertification – 2/18/15

You can register for upcoming webinars at:

<http://www.cbpp.org/research/index.cfm?fa=topic&id=154>



Special Topic Webinars

- Discussion of ABAWDs (Able-bodied adults without dependents)
 - December

National Resources

CBPP Food Assistance Webpage: <http://www.cbpp.org/>

- A Quick Guide To SNAP Eligibility and Benefits

<http://www.cbpp.org/cms/index.cfm?fa=view&id=1269>

- SNAP Policy Basics

<http://www.cbpp.org/cms/index.cfm?fa=view&id=2226>

Additional Resources

- The Food and Nutrition Service (FNS)

- <http://www.fns.usda.gov/snap/supplemental-nutrition-assistance-program-snap>

- Food Research and Action Center (FRAC)

- <http://www.frac.org>

Partner Resources

- Alameda County Community Food Bank:
 - www.accfb.org
- Center for Civil Justice:
 - <http://www.ccj-mi.org/>
- Hunger Free Vermont
 - <http://www.hungerfreevt.org/>
- Massachusetts Law Reform Institute
 - <http://mlri.org/>
- Ohio Association of Food Banks
 - <http://www.benefits.ohiofoodbanks.org/>

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