Part I Chapter 8 – The Effect of Work on Other Common Benefits

Contents

Chapter 8 – The Effect of Work on Other Common Benefits

Learning Objectives

After you have read this chapter and completed the associated lectures and activities during WIPA Initial Training, you should be able to:

1. Describe what a “household” is for the purposes of the Supplemental Nutrition Assistance Program (SNAP).
2. Describe the basic eligibility requirements for SNAP.
3. Describe the basic resource and income rules that apply to SNAP.
4. Describe the basic effect of paid employment on the SNAP allotment and eligibility.
5. Identify and describe the three common forms of rental subsidy provided through the federal housing programs administered by the U.S. Department of Housing and Urban Development (HUD).
6. Describe HUD’s income definitions and what constitutes a “family”.
7. Describe the basic calculations Public Housing Authorities (PHAs) use to determine countable income for rental subsidies.
8. Identify the common income exclusions and deductions PHAs apply when determining countable income for rental subsidies.
9. Describe the Earned Income Disregard (EID) and how the EID applies to reduce countable income when PHAs determine rental subsidy for those beneficiaries allowed to complete their EID period prior to the elimination of EID as of January 2026.

List of Acronyms

- COLA – Cost of Living Adjustment
- CWIC – Community Work Incentives Coordinator
- DoD – Department of Defense
- EBT – Electronic Benefits Transfer
- EID – Earned Income Disregard or Disallowance
- FPL – Federal Poverty Level
- HUD – Department of Housing and Urban Development
- PHA – Public Housing Authority
- SNAP – Supplemental Nutrition Assistance Program
- TANF – Temporary Aid to Needy Families
- USDA – U.S. Department of Agriculture
- VA – Veterans Administration

Overview

In addition to the disability benefits administered by Social Security, many beneficiaries receive assistance from other federal, state or local income support programs. Most of these benefits are means-tested and paid employment may affect the level of assistance a beneficiary receives or cause ineligibility entirely. This chapter only covers the two most common benefit programs CWICs encounter: the Supplemental Nutrition Assistance Program (SNAP) and the rental subsidies provided by the U.S. Department of Housing and Urban Development (HUD). These are the benefits you are most likely to see when you begin providing benefits counseling services after you achieve provisional certification. Social Security requires Community Work Incentives Coordinators (CWICs) to gain competency in understanding how paid employment affects a variety of additional benefit programs, including:

- Unemployment Insurance;
- Workers' Compensation;
- Benefits provided to veterans by the U.S. Department of Veterans Affairs (the VA) and the U.S. Department of Defense (DoD);
- Temporary Assistance to Needy Families (TANF); and

- Other benefits such as Low-income Home Energy Assistance Program (LIHEAP), Black Lung benefits, and Railroad Retirement benefits.

To help CWICs gain the necessary competency in how paid employment may affect the benefit programs listed above, Social Security requires provisionally certified CWICs to complete a detailed web course offered by VCU's NTDC. You will need to complete this course after you achieve provisional certification. Completing this course is mandatory for full certification.

The material presented in this chapter and the required web course reflects only the federal rules governing each program or benefit. Some programs permit state variance and even encourage it. This means that developing competency in these areas does not stop with this manual, but merely begins here. You must conduct independent research into each of the programs listed above to gain a functional knowledge of the state-specific variations that may apply in the areas you serve.

There are a variety of **resource documents covering various federal, state, and local benefits** available on the NTDC website (https://vcu-ntdc.org/resources/resourceDetail_search.cfm?id=4).

Introduction to the Supplemental Nutrition Assistance Program or SNAP

SNAP is a federal program administered by the U.S. Department of Agriculture that helps low-income people purchase food. Until 2008, SNAP was known as the Food Stamp program. Individuals eligible to receive SNAP may include those who work for low wages, people who are unemployed or who work part-time, recipients of welfare or other public-assistance payments, the elderly or disabled who live on a small income, or the homeless. In most states, public-assistance agencies administer SNAP through a local network of city or county offices. These public assistance agencies, sometimes referred to as "welfare agencies," also administer Medicaid and the Temporary Aid to Needy Families (TANF) program. You will find **a directory of state SNAP agencies and other resources** on the USDA website (https://www.fns.usda.gov/snap/state-directory).

SNAP benefits are typically awarded to "households". For the purposes of receiving SNAP, a household consists of a person or a group of people living together, not necessarily related, who purchase and prepare food together. In some situations, it is possible to have more than one food-stamp household per dwelling. Some people who live together, such as husbands and wives and most children under age 22, are included in the same household, even if they purchase and prepare meals separately. Normally people are not eligible for SNAP benefits if an institution gives them their meals. However, there are several special exceptions to this rule for elderly persons and disabled persons living in group settings.

SNAP provides a type of debit card for food purchases, called the Electronic Benefit Transfer system, or EBT. The state agency electronically deposits the monthly SNAP allotment onto the card, based on the number of people in the household and the amount of monthly income remaining after certain deductions. The recipient can then use the EBT card at participating retailers to purchase eligible food items. The Food and Nutrition Act of 2008 defines eligible food as any food or food product for home consumption, and it includes seeds and plants that produce food for consumption by SNAP households. The Act precludes people from purchasing the following items with SNAP benefits: alcoholic beverages, tobacco products, hot food, and any food sold for on-premises consumption. Nonfood items such as pet foods, soaps, paper products, medicines and vitamins, household supplies, grooming items, and cosmetics are also ineligible for purchase with SNAP benefits. In some areas, SNAP offices can authorize restaurants to accept the benefits from qualified homeless, elderly, or disabled people in exchange for low-cost meals.

Basic Eligibility Requirements for SNAP

Some basic federal SNAP eligibility rules apply in almost every state, but states have the authority to establish their own rules beyond federal requirements. The rules below apply in all states:

- In order to qualify for SNAP benefits, all members of the household, including children, must have a Social Security number. A household member who does not have a Social Security number can choose not to apply for benefits, but the program will still count their income and resources to determine eligibility for the remaining household members.

- The Food and Nutrition Act of 2008 limits eligibility for SNAP benefits to U.S. citizens and certain lawfully present non-citizens.
- Generally, students, ages 18 through 49, who are enrolled in college at least half time are not eligible for SNAP unless they meet certain **specific exemptions** (https://www.fns.usda.gov/snap/students).
- If all members of a household are receiving Temporary Assistance for Needy Families (TANF) or Supplemental Security Income (SSI), the household may be deemed "categorically eligible" for SNAP because they have already been determined eligible for another means-tested program. In some states, the SSI application is also an application for SNAP if the individual lives alone. You will find information about **SNAP and other nutritional programs** on Social Security's website (www.ssa.gov/pubs/EN-05-10100.pdf).
- In general, people must meet work requirements in order to be eligible for SNAP benefits. These work requirements include registering for work, not voluntarily quitting a job or reducing hours, taking a job if offered, and participating in employment and training programs assigned by the state. Failure to comply with these requirements can result in disqualification from the Program. **The SNAP work requirements do NOT apply to individuals with disabilities.**

SNAP Resource Limits

Currently, to qualify for SNAP, households may have up to $2,750 in countable resources, or $4,250 in countable resources if at least one person is age 60 or older, or is disabled. These amounts are updated annually. However, certain resources are NOT counted, such as a home and lot, the resources of people who receive Supplemental Security Income (SSI), the resources of people who receive Temporary Assistance for Needy Families (TANF), and most retirement (pension) plans.

The procedures for handling vehicles are determined at the state level. States have the option of substituting the vehicle rules used in their TANF assistance programs for SNAP vehicle rules when it results in lower determinations of household assets. Some states exclude the value of all vehicles entirely while others totally exclude the value of at least one vehicle per household. For more information concerning state specific vehicle policies, check with the state agency that administer the SNAP programs in your service area.

SNAP Income Rules

To qualify for SNAP benefits, households have to meet certain income tests unless all members are receiving TANF, SSI, or in some states, general welfare assistance. Most households must meet both the gross and net income tests. Gross income means a household's total, non-excluded income, before any deductions have been applied. Net income means gross income minus allowable deductions. Gross monthly income limits, before any deductions, equal 130 percent of the Federal poverty level (FPL) for the household size, while net monthly income limits equal 100 percent of the poverty level. A household with an elderly person or a person who is receiving certain types of disability payments only has to meet the net income test.

After adding up all of the household's countable income, the SNAP worker will subtract certain deductions. All households receive a "standard deduction" from gross income to cover basic, essential expenses unrelated to medical care, work, or childcare. The standard deduction varies according to household size and adjusts annually for inflation. In addition to the standard deduction, states must apply other deductions when determining net income eligibility for SNAP. We list them here in the order in which SNAP personnel deduct the expenses:

- A 20 percent deduction from earned income;
- A dependent care deduction when needed for work, training, or education;
- Medical expenses for elderly or disabled members that are more than a specified amount per month if they are not paid by insurance or someone else;
- In some states, legally owed child support payments;

- Some states allow homeless households a set amount for shelter costs;
- Funds set aside in an approved Plan to Achieve Self-Support (PASS); and
- Excess shelter costs that are more than half of the household's income after the other deductions. Allowable costs include the cost of fuel to heat and cook with, electricity, water, the basic fee for one telephone, rent or mortgage payments and taxes on the home (some states allow a set amount for utility costs instead of actual costs).

The United States Department of Agriculture (USDA) adjusts SNAP income and resource standards at the beginning of each federal fiscal year (October 1) based on certain cost-of-living (COLA) adjustments. You will find the **current SNAP deduction amounts** on the USDA SNAP website (https://www.fns.usda.gov/snap/recipient/eligibility). It is important to understand that the deductions described above are only the most common ones. There are many other income exclusions and some types of income do not count at all. The SNAP income rules are quite complex and may vary significantly by state.

SNAP Allotments

The amount of SNAP benefits the household gets is called an allotment. The net monthly income of the household is multiplied by 0.3, and the result is subtracted from the maximum allotment for the household size to find the household's allotment. This is because SNAP households are expected to spend about 30 percent of their income on food. The USDA adjusts SNAP maximum allotments, at the beginning of each federal fiscal year based on cost of living adjustments (COLA). COLAs take effect each year in October. If a household applies after the first day of the month, it will receive benefits from the day the household applies.

The SNAP program calculates maximum allotments based on the Thrifty Food Plan for a family of four, priced in June that year. The Thrifty Food Plan estimates how much it costs to buy food to prepare nutritious, low-cost meals for a household, and it changes every year to keep pace with food prices. SNAP determines the maximum allotments for households larger and smaller than four persons using formulas that account for economies of scale. Smaller households get slightly more per person than the four-person household. Larger households get slightly less.

Applying for SNAP Benefits

Individuals apply for SNAP at the local welfare office and, more frequently now, online. CWICs can **find the agency that administers the SNAP program in each state** online at the state directory (https://www.fns.usda.gov/snap/state-directory).

If the applicant or a member of the applicant's household is applying for or receiving Supplemental Security Income (SSI) benefits, he or she can apply for SNAP at the local Social Security office.

After the individual submits an application, the SNAP office will contact them to set up an interview. States can waive the requirement of a face-to-face interview for certain elderly or disabled persons who may be "homebound." If eligible, the individual will receive food stamps no later than 30 days from the date the office received his or her application. In the event that the household needs immediate assistance, the office can release the SNAP benefits within seven days. During the interview, the SNAP worker will explain the program rules. The worker can also assist in completing the application.

The applicant must show proof of certain information such as U.S. citizenship, or other documents for certain non-citizens and legal immigrants. Other required verification includes Social Security numbers, unearned and earned income, and resources.

Effect of Work on SNAP Benefits

Since SNAP is a means-tested program, changes in income, including earned income may cause a reduction in benefits or program ineligibility. Fortunately, the SNAP program does include a standard 20 percent deduction from earned income. In addition, funds set aside in an approved PASS are excluded during SNAP income determinations.

In some states, the state agency that administers SNAP or a local human service agency has created an online calculator to estimate a SNAP benefit amount. Beneficiaries may use these online calculators to estimate how much their SNAP allotment will be after they begin working. You will need to conduct research in your state to determine if a state-specific SNAP calculator is available.

Special Rules for People Who Are Elderly or Have Disabilities

SNAP includes a number of special rules for people who are disabled or elderly. To be eligible for these special rules, the person must meet the definition of an "elderly or disabled household member." According to the Food Stamp Act, an elderly person is one who is 60 years of age or older. Generally, the SNAP program considers a person to be disabled if he or she:

- Receives federal disability or blindness payments under the Social Security Act, including Supplemental Security Income (SSI) or Social Security disability or blindness payments;
- Receives state disability or blindness payments based on SSI rules;
- Receives a disability retirement benefit from a governmental agency because of a disability considered permanent under the Social Security Act;
- Receives an annuity under the Railroad Retirement Act and is eligible for Medicare or is considered to be disabled based on the SSI rules;
- Is a veteran who is totally disabled, permanently housebound, or in need of regular aid and attendance; or
- Is a surviving spouse or child of a veteran who is receiving VA benefits due to a permanent disability.

One rule that applies only to people with disabilities has to do with living arrangement. Generally, people living in institutional settings that provide food are not eligible for SNAP. However, under certain circumstances, people living in nonprofit residential settings of 16 or fewer individuals can qualify for SNAP even if they need someone within that setting to help them prepare the food.

The work requirements of the SNAP program do not apply to people who receive Social Security disability benefits. This means people with disabilities don't need to be working to receive SNAP for more than three months, nor does the program require them to seek employment, including registering for work.

As noted earlier, families with elderly or disabled members receive an extra deduction when SNAP calculates net income. For elderly members and disabled members, allowable medical costs that are more than $35 a month may be deducted unless an insurance company or someone who is not a household member pays for them. Only the amount over $35 each month may be deducted. Allowable costs include most medical and dental expenses, such as doctor bills, prescription drugs and other over-the-counter medication when approved by a doctor, dentures, inpatient and outpatient hospital expenses, and nursing care. They also include other medically related expenses, such as certain transportation costs, attendant care, and health insurance premiums. The costs of special diets are not allowable medical costs. Beneficiaries must provide proof of medical expenses and insurance payments to receive the deductions.

Another important difference in SNAP for elderly and disabled individuals has to do with the shelter deduction. The shelter deduction is for shelter costs that are more than half of the household's income after other deductions. Allowable shelter costs include the costs of rent or mortgage, taxes, interest, and utilities such as gas, electricity, and water. For most households, there is a limit to the allowable amount of the deduction, but for a household with an elderly or disabled member the SNAP agency may deduct all shelter costs over half of the household's income.

For more information about **SNAP rules that apply to individuals who are elderly or disabled,** refer to the USDA Food and Nutrition website (https://www.fns.usda.gov/snap/eligibility/elderly-disabled-special-rules).

Rights and Responsibilities under SNAP

Beneficiaries have certain rights under the SNAP program, including the right to:

- Receive an application and have SNAP accept it on the same day.
- Receive SNAP benefits within seven days if there is an immediate need for food.
- Receive service without regard to age, gender, race, color, disability, religious creed, national origin, or political beliefs.

- Be told in advance if the SNAP office would reduce or end benefits during the certification period because of a change in the recipient’s circumstances that they did not report in writing.
- Access their case file and be provided a copy of SNAP rules.
- Appeal any decision.

Along with these rights come responsibilities. SNAP applicants and beneficiaries must answer all questions completely and honestly, provide proof they are eligible, and promptly report changes to the SNAP office. Applicants must not put money or possessions in someone else’s name; make changes on any SNAP cards or documents; sell, trade, or give away their SNAP benefits; or use SNAP to buy ineligible items. People who break SNAP rules may lose their right to participate in the program. They may also be subject to fines or face legal consequences.

It is also the beneficiary’s responsibility to report changes in a timely manner to avoid needing to pay back SNAP for erroneously issued benefits. CWICs should research how the local SNAP office expects participants to report changes to their household circumstances. Some households need to report changes in circumstances every month, others must report changes when they occur, and still other households must report changes once a quarter.

Federal Housing Assistance Programs

The U.S. Department of Housing and Urban Development (HUD) funds a variety of programs designed to provide “decent, safe and sanitary” housing for families with low incomes. HUD’s rental-subsidy programs make housing affordable by allowing families to pay a percentage of their adjusted income (usually 30 percent) for housing, while HUD funds make up the difference between the family’s contribution and the total rent. Generally, when a family’s income increases, so does their portion of the rent. If family income decreases, their share of the rent usually goes down as well. Local agencies called “public housing agencies” (PHAs) generally administer HUD programs at the local or state level, using HUD funds. HUD rules govern the programs, but PHAs may set some rules as well.

HUD funds a variety of rental-subsidy programs. The three main programs are:

1. Public Housing:

PHAs own and operate public housing, although the funding comes from HUD. Subsidies apply to different housing options, including high-rise apartment buildings, smaller groups of apartments, or even detached single-family homes. Families can only use the rental subsidies that come with public housing in public housing; if a family moves out, they lose the subsidy. To be eligible for public housing, a family must have "low income." However, 40 percent of public housing units newly rented each year must go to "extremely low income" families. More information about **public housing** is available on HUD's website (https://www.hud.gov/program_offices/public_indian_housing/programs/ph).

2. Project-based Section 8:

Project-based Section 8 rental subsidies make housing affordable in privately owned and operated housing projects. The subsidy applies to a specific unit in the project, so if the family moves, they usually lose the subsidy. A family must have "very low income" to be eligible for a project-based Section 8 subsidy, although projects that began receiving rental assistance before October 1, 1981 may admit families with "low income". Forty percent of new admissions each year to project-based Section 8 subsidies must go to "extremely low income" families. More information about **Project-Based Section 8 Rental Subsidies** is available on HUD's website (https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/project).

3. Housing Choice Voucher (also known as "tenant-based Section 8"):

Housing Choice Vouchers subsidize rent in privately owned housing units other than housing projects. Generally, a family may use a Housing Choice Voucher to rent an apartment or house if the landlord is willing to participate in the program. Housing

Choice Vouchers are portable. This means that a family may move and bring the subsidy with them, and can live anywhere in the United States. Only families with "very low income" may qualify for Housing Choice Vouchers. Each year, "extremely low income" families must receive 75 percent of the vouchers. More information about **Housing Choice Vouchers** is available on HUD's website (https://www.hud.gov/program_offices/public_indian_housing/programs/hcv/about/fact_sheet).

All three programs apply very similar rules to determine the amount a family will pay for housing.

HUD Income Definitions

1. Low income:

At or below 80 percent of the median income for a family of a given size in the local area.

2. Very low income:

At or below 50 percent of the median income for a family of a given size in the local area.

3. Extremely low income:

At or below 30 percent of the median income for a family of a given size in the local area.

Because median income in a local area determines income eligibility for HUD programs, actual income dollar limits will differ widely from one area to the next. **Find income limits** online (http://www.huduser.gov/portal/datasets/il.html).

In addition to meeting income limits, a family must meet these criteria:

- Constitute a "family," as defined by the PHA;
- **Prove that at least one member is a U.S. citizen or eligible immigrant** (https://www.law.cornell.edu/uscode/text/42/1436a#a);
- Provide Social Security numbers for all members of the family aged 6 or older; and

- Complete a satisfactory background check that considers rental history and criminal background.

Who Is Included in a “Family”?

To be eligible for HUD rental subsidy programs, the household members must meet the definition of a “family.” Each PHA provides its own definition of “family,” using HUD guidelines. Generally, a family is a single person or a group of people, with or without children. A child who is temporarily out of the home due to placement in foster care remains a member of the family. All residents of a single dwelling count as part of the family, except live-in aides. Certain HUD programs are only available to “Disabled or Elderly Families”. This means families whose head, co-head, spouse, or sole member is disabled or at least age 62; two or more persons living together who are all disabled or at least age 62; or one or more persons living together who are all disabled or at least age 62 and who live with one or more live-in aides. Person with a disability is someone who meets Social Security’s adult definition of disability or is determined by HUD regulations to have a significant physical, mental, or emotional impairment.

Applying for Rental Subsidy

Individuals apply for housing subsidies by contacting their local PHA. You will find **PHA contact information** on the HUD website (https://www.hud.gov/program_offices/public_indian_housing/pha/contacts).

Basic Rent and Utility Payment Calculation

A family in a HUD rental subsidy program generally pays the highest of the following for rent and utilities (“total tenant payment”):

- 30 percent of adjusted family income;
- 10 percent of gross family income;
- If the family receives welfare assistance payments, the amount of that assistance designated for housing; or
- The minimum rent for some programs ($25/month to $50/month), unless the family is exempt from the minimum rent due to financial hardship.

- For most families, the rent and utility payment is 30 percent of adjusted family income. PHAs can choose different calculation methods to set total tenant payment, so long as they do not yield amounts higher than the standard method.

Calculating Adjusted Income

- To compute adjusted income, the PHA adds all included income (less any income that is excluded) and subtracts income deductions. With respect to the family, income includes, but is not limited to:
- All amounts, not specifically excluded, received from all sources by each member of the family who is 18 years of age or older or is the head of household or spouse of the head of household, plus unearned income by or on behalf of each dependent who is under 18 years of age; and
- When the value of net family assets exceeds $50,000 (adjusted annually) and the actual returns from a given asset cannot be calculated, imputed returns on the asset based on the current passbook savings rate, as determined by HUD.

Excluded Income

PHAs do not count some types of income under HUD mandatory rules. The following types are especially relevant to family members who are working for pay and for people with disabilities:

- Any imputed return on an asset when net family assets total $50,000 or less (adjusted annually) and no actual income from the net family assets can be determined.
- Earnings from work of children under age 18.
- Earnings in excess of $480 per year for each full-time student 18 years or older (excluding the head of household and spouse).
- Amounts received in training programs funded by HUD, and in qualifying state or local employment training programs, including payments for job-related expenses.
- Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-

of-pocket expenses incurred and which are made solely to allow participation in a specific program.

- Resident service stipends up to $200 per month.
- Income used to pay expenses under a Plan to Achieve Self Support (PASS).
- Payments received for providing foster care.
- Income of a live-in aide.
- Payments made by or authorized by a State Medicaid agency or other state or federal agency to a family to enable a family member who has a disability to reside in the family's assisted unit. Authorized payments may include payments to a member of the assisted family for caregiving services the family member provides to enable a family member who has a disability to reside in the family's assisted unit. Reimbursements for medical expenses.
- Lump sum SSI and Social Security benefits.
- Amounts withheld from public benefits to recover overpayments.
- SNAP and other food assistance program benefits.
- Amounts directly received by the family as a result of Federal or State refundable tax credits and Federal or State tax refunds.

Income Deductions

PHAs deduct these amounts from family income under mandatory HUD rules:

- $480 per year (adjusted annually) for each dependent who is under age 18, disabled, or a full-time student.
- $525 per year (adjusted annually) for a disabled or elderly family.
- Any reasonable child care expenses necessary to enable a member of the family to be employed or to further their education. The amount of the following two expense types that exceed 10 percent of gross family income:

a. Unreimbursed medical expenses for all members of a disabled or elderly family.

b. Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with a disability, to the extent necessary to enable any member of the family (including the member who is a person with a disability) to be employed. This deduction may not exceed the combined earned income received by family members who are 18 years of age or older and who are able to work because of such attendant care or auxiliary apparatus; PHAs may adopt optional deductions for public housing, but only if they are willing to absorb the costs (i.e., the PHA must provide funds to offset the reductions in rent resulting from the optional deductions).

Utility Allowance

If a family pays for utilities separately from their rent, the PHA or housing project owner will determine a utility allowance to deduct from their payment for rent and utilities. The amount that remains after deducting the utility allowance is the amount the family pays for rent.

The PHA or project owner calculates the utility allowance based on the family and unit size, the types of utilities the family pays, the average cost of those utilities in the area in which the family lives, and other factors. Utilities include gas, electricity, heating fuel, water, trash collection and sewerage, but not telephone or cable TV. If the utility allowance is greater than the total tenant payment, the PHA or project owner provides a payment (utility reimbursement) to the family or utility supplier to make up the difference. In some cases, a higher utility allowance may be provided as a reasonable accommodation for a family that includes a member with a disability. A family whose rent includes utilities doesn’t receive a utility allowance.

Reexaminations of Income

PHAs conduct annual reexaminations of a family’s income if the family pays an income-based rent. In addition, the PHA must conduct an interim reexamination when the adjusted income decreases (or is estimated to decrease) by 10% or more due to a change in income or family composition. PHAs have the discretion to establish a lower threshold that is more generous to the family. The PHA must also conduct an interim reexamination when the adjusted income increases by 10% or more. However, PHAs may decline to conduct the interim reexamination when increase in income occurs in the three months prior to the regular annual examination.

PHAs may not consider increases in earned income in determining the necessity of an interim reexamination unless, based on PHA policy, the family received an interim reduction during the same certification period. This means that individuals whose income has increased solely due to earnings from employment will not experience a corresponding increase in rent until the annual examination. When counseling beneficiaries, CWICs should advise beneficiaries of this time frame so they are aware of when any estimated change to their rental subsidy will occur.

Determining Net Family Assets or Resources

Starting in 2024, the Public Housing, Housing Choice Voucher, and Project-based Section 8 Programs mentioned above will implement a $100,000 resource limit. HUD allows self-certification from the family for documentation of assets less than $50,000. Like most means-tested benefits programs, not all resources count. For example, retirement accounts recognized by the IRS are excluded. More information on **Resource Exclusions** is available at https://www.hudexchange.info/resource/6880/hotma-assets-asset-exclusions-and-limitation-on-assets-resource-sheet/.

Another important resource exclusion is funds put aside in a Family Self-Sufficiency (FSS) program account. Greatly expanded upon in 2022, the FSS program is the nation's largest asset-building program for low-income families, funding over 1,300 coordinators who serve over 60,000 residents in public, voucher, and multifamily housing. The FSS program is completely voluntary and helps families in HUD-assisted rental housing to increase their earnings and build financial capability and assets. FSS Program Coordinators provide coaching, refer to services, and assist in establishing a family escrow savings account, which is excluded from the resource determination.

Not every PHA participates in the FSS program. To see the **new FSS awardees**, visit https://www.hud.gov/sites/dfiles/PA/documents/State_Report_NEW_FS

S_Grants.pdf. **For renewal awards**, visit https://www.hud.gov/sites/dfiles/PA/documents/FSS_Renewal_State_Report.pdf.

How Work Affects Rental Assistance

Federal rental subsidies are means-tested programs so when a beneficiary begins working, it is possible for their rental subsidy to decrease which means they may pay more in rent each month. However, because interim reexaminations cannot be conducted based solely on increased earnings, changes in rent due to working should occur only after the annual examination.

Earned Income Disregard or Disallowance (EID)

Prior to 2024, HUD rules included an important work incentive for individuals known as the Earned Income Disregard or the Earned Income Disallowance (EID). The EID enables certain family members with certain HUD rental subsidies to go to work without having the family's rent increase immediately. Instead, HUD phases in the rent increase over time. Those eligible for EID include any adults in public housing as well as any adults with disabilities who receive assistance from the Housing Choice Voucher program and a few other assistance programs.

When a family member qualifies for the EID, the PHA disregards the increase in family rent resulting from the new or increased earnings in two phases:

1. During the first 12 months of the EID, the PHA excludes 100 percent of the increase in family income resulting from the new or increased earnings. As a result, the family's rent doesn't increase due to the earnings for the first 12 months of work. The 12 months continue to be counted even if the family member stops working during that time period.

2. During the second 12 months of the EID, the PHA excludes at least 50 percent of the increase in family income resulting from the new or increased earnings. PHAs may opt to exclude more than 50 percent. The family's rent increases during this second 12-month period, but only half as much as if HUD counted all the increase in income. Again, the second 12 months of the EID continue to be counted even if the family member stops working during that time period.
3. Once the family member is found eligible for the EID and the EID 24-month period begins, there is no way to stop it. At the end of the 24-month period, eligibility for the EID ends even if the family member did not work the entire time and was not able to use the benefit of the disregard for all 24 months.

Due to recent legislation, HUD is phasing out the EID. HUD directed PHAs to begin applying the EID to any newly eligible family's rental subsidy through December 31, 2023. After this, PHAs can only apply the EID to families whose EID period started prior to 2024. Those families are allowed to finish their two-year EID period in 2024 and 2025. Therefore, the EID will be completely phased out by January 1, 2026.

Given this, CWICs should no longer recommend EID to any beneficiary who has not already started to use it prior to 2024. For those who started using it prior to 2024, CWICs should confirm or help the beneficiary confirm when their EID period will end and how the rental subsidy will change during and after their EID period.

HUD Grievance Procedure Requirements for PHAs

HUD requires all PHAs to establish and implement a formal grievance procedure to assure that a PHA tenant is afforded an opportunity for a hearing if the tenant disputes any PHA action or failure to act involving the tenant's lease with the PHA or PHA regulations that adversely affect the individual tenant's rights, duties, welfare or status. PHAs are required to include or reference the grievance procedure in all tenant dwelling leases and provide a copy of the grievance procedure to each tenant and to resident organizations.

Local PHAs may design their grievance procedures in a variety of ways as long as they meet all federal requirements. The federal requirements for **grievance requirements are listed in the Code of Federal Regulations** (https://www.gpo.gov/fdsys/pkg/CFR-2017-title24-vol4/xml/CFR-2017-title24-vol4-part966.xml#seqnum966.50).

Individuals should contact their local PHA for a copy of the grievance procedure if they wish to file a grievance about a determination.

Next Steps

This chapter provided you with a summary of the eligibility requirements for SNAP and HUD rental subsidies as well as a brief overview of how paid employment affects these benefits. When you begin to provide WIPA services to disability beneficiaries who also have SNAP benefits or federal housing subsidies, you will need to conduct additional research to discover how the states in which you provide WIPA services administer these programs. Your assigned VCU NTDC Technical Assistance (TA) Liaison can help you understand the requirements for these programs, but cannot help you with any state specific rules. Social Security requires WIPA programs to acquire training on state specific rules for all benefit programs with state variance. You also need to remember that there are many different forms of federal, state or local benefits an individual may receive that could be affected by paid employment. You should take the following steps to ensure that you have the information you need to provide accurate and comprehensive work incentives counseling:

1. Begin by meeting with your WIPA Program Director or knowledgeable members of your WIPA team to get information about state-specific rules that govern benefits in your area. Once you achieve full CWIC certification, you will have access to report writing software called BSADocs that includes templates customized for each state including all of the state-specific information for each type of benefit. You can get a copy of these templates from your Program Director. This will save you a lot of time in conducting research.

2. You are required to complete a detailed web course on other federal, state and local benefits that is offered several times each year by VCU's NTDC. Once you are provisionally certified, you will start to receive notices of these training sessions when registration is open. Successful completion of this web course is a requirement for attaining full CWIC certification.
3. There are a variety of **resource documents covering various federal, state, and local benefits** available on the NTDC website (https://vcu-ntdc.org/resources/resourceDetail_search.cfm?id=4). When you encounter an individual who receives something other than SNAP or HUD rental subsidies, refer to this web page to find helpful informational materials. Your TA Liaison can help you understand these materials, but will not be able to assist you with any state specific rules.