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 | ADMINISTRATIVE DIRECTIVE |  
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TRANSMITTAL: 93 ADM-35

TO: Commissioners of  
 Social Services

DIVISION: Economic  
 Security

DATE: November 9, 1993

SUBJECT: Shelter Arrears Payments Above Shelter Maximums for  
 Recipients of Aid to Dependent Children and Home Relief and  
 Revised Method of Calculating Income Under Emergency Home  
 Relief

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 SUGGESTED  
 DISTRIBUTION: Public Assistance Staff  
 Food Stamp Staff  
 Medical Assistance Staff  
 WMS Coordinators  
 Staff Development Coordinators  
  
 CONTACT  
 PERSON: Income Support: Maureen Standish at  
 1-800-342-3715 extension, 3-6555  
  
 ATTACHMENTS: None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
91 ADM-43		352.7(g)(5)	Aid to	<u>PASB</u>	GIS 93
93 ADM-9		370.3	Localities Budget for State Fiscal Year 1993-94	IX-F-2.4 XVIII-D- all	ES/DC016 GIS 93 ES/DC010

I. PURPOSE

This directive advises social services districts (SSDs) of a recent amendment to Department regulation 352.7(g)(5), authorized in the Aid to Localities Budget for State Fiscal year 1993-94. This amendment affects the amount of the shelter arrears that can be paid to prevent eviction or foreclosure for recipients of Aid to Dependent Children (ADC) or Home Relief (HR).

This directive also introduces a revised method of calculating income for Emergency Home Relief (EHR). This method is based upon prospective budgeting as outlined in 93 ADM-9.

II. BACKGROUND

Prior to the amendment to Department regulation 352.7(g)(5), an allowance paid to recipients of public assistance to prevent eviction or foreclosure for non-payment of shelter expenses, incurred during a period for which a grant had been previously issued, was limited to the appropriate agency shelter maximums.

Prior to this directive, 91 ADM-43 instructed districts to calculate earnings by using the last eight weeks of pay, rather than the last four.

III. PROGRAM IMPLICATIONS

Recipients will now be able to receive, under certain circumstances, a shelter arrears payment sufficient to prevent an eviction or foreclosure. This can include an amount above the local agency shelter maximum.

The method for calculating income for EHR will be consistent with the method for determining income under ADC and recurring HR, even though the income standards used are different.

IV. REQUIRED ACTION

A. Shelter Arrears

SSDs must now provide a shelter arrears payment sufficient to prevent eviction or foreclosure to recipients of ADC or HR who are faced with eviction or foreclosure because of non-payment of shelter expenses. This may include an amount above the shelter maximums when the following conditions are met:

1. The recipient must agree to use all available liquid resources for the payment of shelter expenses necessary to prevent eviction or foreclosure;

2. The recipient must demonstrate an ability to pay shelter expenses in the future, including any amounts in excess of the appropriate local agency maximum monthly shelter allowance to which the recipient is allowed;
3. The recipient must agree to future restriction of rent or mortgage payments; and
4. The recipient must not have previously received a shelter arrears payment in excess of the appropriate local agency maximum monthly shelter allowance and, subsequent to receiving such an allowance, requested discontinuance of restriction of the shelter payments to which he or she had agreed.

The entire amount of the shelter arrears payment, including any amount in excess of the appropriate agency shelter maximum, is subject to recoupment.

B. Emergency Home Relief

SSDs must calculate income for EHR eligibility, using the 125% of the federal income poverty guidelines, as follows:

1. Average the last four weeks of pay by:
  - a. adding each week of pay together and dividing by four; and
  - b. multiplying this weekly average by 4.333 weeks to arrive at a monthly figure.

If any of the past four weeks' pay is higher or lower than the other three because of an unusual circumstance that the worker does not expect to continue, then the unusual pay week must be discarded and the average monthly wages determined by averaging the three remaining weeks and multiplying by 4.333 weeks. Examples of unusual circumstances include:

- a. missing a week of work because of illness;
- b. overtime that is not expected to last;
- c. temporary closing of a plant, etc.

If there is no reason to believe that the high or low pay is temporary, then the average must be based on the four weeks' pay.

The averaging method is used only if there has not been a significant change in pay. A significant change in pay is any increase or decrease that is expected to last at least thirty days.

Examples of significant changes are:

- a. wage or salary increase;
  - b. an increase in the number of hours regularly worked;
  - c. taking a second job;
  - d. going from part-time to full-time employment.
2. Use the most current pay information when the last four weeks of pay cannot be used because there has been a significant change in pay.

The most current pay information requires that the hourly wage rate be multiplied by the number of hours per week and 4.333 weeks per month.

3. Convert non-weekly wages to an average monthly income amount by using the following conversion factors:
- a. bi-weekly wages: multiply by 2.166;
  - b. semi-monthly wages: multiply by 2;
  - c. monthly wages: no conversion factor required;
  - d. contractual wage: divide contractual wage by number of pay weeks in contract and multiply by 4.333.

V. SYSTEMS IMPLICATIONS

Any of the existing shelter-related payment type codes can be used to authorize the shelter arrears payment.

VI. CLAIMING INFORMATION

The amount above the shelter maximum should be claimed and funded under the clients' category of assistance.

VII. EFFECTIVE DATE

December 1, 1993 retroactive to August 3, 1993.

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Oscar R. Best, Jr.  
Deputy Commissioner  
Division of Economic Security