

Joint Committee on Administrative Rules

ADMINISTRATIVE CODE

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 121 FOOD STAMPS
SECTION 121.57 ASSETS

Section 121.57 Assets

- a) The value of nonexempt assets shall be considered in determining eligibility.

- b) Value of Nonexempt Assets
 - 1) The value of nonexempt assets is the equity value (fair market value less the amount owed), except for prepaid funeral agreements valued over \$1500.

 - 2) The Department considers the following assets in determining eligibility:
 - A) Liquid Assets
 - i) Liquid assets are those properties in the form of cash or other financial instruments which are convertible to cash, such as, but not limited to, cash

on hand, money, in checking or savings accounts, credit union accounts, savings certificates, stocks or bonds, lump-sum payments, prepaid funeral agreements, IRAs and Keogh Plans that do not involve a contractual relationship with someone who is not a member of the same food stamp household.

- ii) Pension plans are exempt from consideration as an asset, except accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan, that are accessible without a penalty for withdrawal.

B) Nonliquid Assets

Nonliquid assets are those properties which are not in the form of cash or other financial instruments, such as personal property, licensed vehicles, unlicensed vehicles, buildings, land, recreational properties, and any other property not specifically exempted in Section 121.58.

C) Assets of Sponsors of Aliens

Consider the assets of the sponsor and the sponsor's spouse who sponsored an alien on or after February 1, 1983 (7 CFR 272.1(g)(54) (2001)) in accordance with Section 121.55.

D) Licensed Vehicles

The Department shall consider the equity value of a licensed vehicle unless exempted as stated in Section 121.58.

E) Prepaid Funeral Agreements

The value of prepaid funeral agreements over \$1500.00 per person is considered.

(Source: Amended at 29 Ill. Reg. 5499, effective April 1, 2005)

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 121 FOOD STAMPS
SECTION 121.58 EXEMPT ASSETS

Section 121.58 Exempt Assets

- a) Homestead Property
 - 1) The home and surrounding property which, exclusive of public rights of way, is not separated from the home by intervening property owned by others.
 - 2) Homes which are temporarily unoccupied for reasons of employment, training for future employment, illness, or inhabitability caused by casualty or natural disaster, remain exempt if the household intends to return.
 - 3) A lot owned or being purchased by the household if the household intends to build or is building a permanent home and the household does not currently own a home.

- b) Personal Property

Household goods, personal effects, one burial plot per household member, and the cash value of life insurance policies. Pension plans are exempt from consideration as an asset, except accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan, that are accessible without a penalty for withdrawal.

c) Income Producing Property

- 1) Property which is annually producing income consistent with its fair market value (including land or buildings being sold by installment contract), even if only used on a seasonal basis.
- 2) Property which is essential to the employment or self-employment of a household member, such as, farmland and work related equipment (tools of a tradesman, farm machinery). In the case of farm property (including land, equipment, and supplies) that is essential to the self-employment of a household member in a farming operation, the value of such property shall be excluded from financial resources until the expiration of the one year period beginning on the date such member ceases to be self-employed in farming.
- 3) A rental home which is used by a household for vacation purposes at sometime during the year is an asset, unless excluded by subsection (c)(1) of this Section.

d) Disaster Relief Payments

Disaster relief payments provided by federal, state or local government or a disaster assistance organization.

e) Inaccessible Assets

Assets whose cash value is not accessible to the household, such as but not limited to:

- 1) irrevocable trust funds,
- 2) security deposits on rental property and utilities,
- 3) property in probate,
- 4) real property when a good faith effort is being made to sell at a reasonable price,
- 5) jointly owned assets which cannot be practically subdivided and are accessible only with the consent of the joint owner who refuses to give that consent,
- 6) non-liquid asset or assets (see Section 121.57(b)(2)(B)) which have a lien against it as a result of a business loan and the household is prohibited by the security or lien agreement from selling the asset or assets,
- 7) monies received from the Social Security Administration under the PASS Program that are held in a separate account, or
- 8) an asset if when sold or otherwise disposed of would net the household less than \$1500. The net is determined by subtracting the expenses of disposing of the property from the equity value. This does not apply to negotiable financial instruments or stocks and bonds.

f) Prorated Income

Money which has been prorated as income, such as income of self-employed persons or students.

g) Indian Lands

Indian lands held jointly with the tribe, or land that can be sold only with the approval of the Bureau of Indian Affairs.

h) Federal Statute Exclusions

Assets excluded for food stamp purposes by express provision of Federal Statute.

i) Licensed Vehicles

- 1) used primarily for producing income such as, but not limited to, a taxi, truck, or fishing boat. "Used primarily" means: used over 50% of the time the vehicle is used;
- 2) annually producing income consistent with its fair market value (even if only used on a seasonal basis);
- 3) necessary for long distance travel essential to employment, other than daily commuting (such as a sales person, migrant farmworker);

- 4) necessary for subsistence hunting or fishing (game and fish necessary for the livelihood of the household);
- 5) used as the household's home;
- 6) necessary to transport a physically disabled household member regardless of the purpose of such transportation. Only one vehicle per disabled person is allowed. The vehicle need not be specially equipped or used primarily for the transportation of the disabled individual;

*Agency Note: Exclusions (1)-(6) also apply when the vehicle is not in use because of temporary unemployment.

- 7) one licensed vehicle per household, regardless of its use;
- 8) the equity value of one licensed vehicle for each adult household member, regardless of its use;
- 9) the equity value of any other licensed vehicles used by household members under age 18 to drive to and from employment, training or education which is preparatory for employment, or to seek employment. Temporary periods of unemployment are not to affect this exemption;
- 10) any vehicle if the net proceeds would total less than \$1500 if sold; and

11) property, real or personal, to the extent that it is directly related to the maintenance or use of a vehicle excluded under subsections (i)(1), (i)(2) or (i)(3) of this Section.

j) Assets of a TANF or SSI household member

All assets of a household member who receives TANF or SSI benefits.

(Source: Amended at 29 Ill. Reg. 5499, effective April 1, 2005)

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMS
PART 121 FOOD STAMPS
SECTION 121.59 ASSET DISREGARDS

Section 121.59 Asset Disregards

- a) Households which are categorically eligible, as defined in Section 121.76, do not have to meet the asset limits in this Section.
- b) \$3,000 for all households with a qualifying member, as defined in Section 121.61.
- c) \$2,000 for all other households.

(Source: Expedited Correction at 27 Ill. Reg. 14262, effective February 7, 2003)

DEPARTMENT OF HUMAN SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF HUMAN SERVICES
SUBCHAPTER b: ASSISTANCE PROGRAMSPART 121
FOOD STAMPS

SUBPART A: APPLICATION PROCEDURES

Section

- 121.1 Application for Assistance
- 121.2 Time Limitations on the Disposition of an Application
- 121.3 Approval of an Application and Initial Authorization of Assistance
- 121.4 Denial of an Application
- 121.5 Client Cooperation
- 121.6 Emergency Assistance
- 121.7 Expedited Service
- 121.10 Interviews

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- 121.18 Work Requirement
- 121.19 Ending a Voluntary Quit Disqualification (Repealed)
- 121.20 Citizenship
- 121.21 Residence
- 121.22 Social Security Numbers
- 121.23 Work Registration/Participation Requirements
- 121.24 Individuals Exempt from Work Registration Requirements
- 121.25 Failure to Comply with Work Provisions
- 121.26 Period of Sanction
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NOTICE OF ADOPTED AMENDMENTS

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121.53	Income From Rental Property
121.54	Earned Income In-Kind
121.55	Sponsors of Aliens
121.57	Assets
121.58	Exempt Assets
121.59	Asset Disregards

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NOTICE OF ADOPTED AMENDMENTS

- 121.81 Initiation of Administrative Fraud Hearing (Repealed)
- 121.82 Definition of Fraud (Renumbered)
- 121.83 Notification To Applicant Households (Renumbered)
- 121.84 Disqualification Upon Finding of Fraud (Renumbered)
- 121.85 Court Imposed Disqualification (Renumbered)
- 121.90 Monthly Reporting and Retrospective Budgeting (Repealed)
- 121.91 Monthly Reporting (Repealed)
- 121.92 Budgeting
- 121.93 Issuance of Food Stamp Benefits
- 121.94 Replacement of the EBT Card or Food Stamp Benefits
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- 121.96 Uses For Food Coupons
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- 121.98 Client Training for the Electronic Benefits Transfer (EBT) System
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SUBPART G: INTENTIONAL VIOLATIONS OF THE PROGRAM

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- 121.150 Definition of Intentional Violations of the Program
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- 121.160 Persons Required to Participate
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NOTICE OF ADOPTED AMENDMENTS

- 121.164 Orientation (Repealed)
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- 121.166 Assessment and Employability Plan (Repealed)
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- 121.170 Job Search Activity
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- 121.174 Job Readiness Activity
- 121.176 Work Experience Activity
- 121.177 Illinois Works Component (Repealed)
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- 121.184 Sanctions for Non-cooperation with Food Stamp Employment and Training
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- 121.200 Types of Claims (Recodified)
- 121.201 Establishing a Claim for Intentional Violation of the Program (Recodified)
- 121.202 Establishing a Claim for Unintentional Household Errors and Administrative Errors (Recodified)
- 121.203 Collecting Claim Against Households (Recodified)
- 121.204 Failure to Respond to Initial Demand Letter (Recodified)
- 121.205 Methods of Repayment of Food Stamp Claims (Recodified)
- 121.206 Determination of Monthly Allotment Reductions (Recodified)
- 121.207 Failure to Make Payment in Accordance with Repayment Schedule (Recodified)
- 121.208 Suspension and Termination of Claims (Recodified)

SUBPART I: WORK REQUIREMENT FOR FOOD STAMPS

- Section
- 121.220 Work Requirement Components (Repealed)
- 121.221 Meeting the Work Requirement with the Earnfare Component (Repealed)
- 121.222 Volunteer Community Work Component (Repealed)
- 121.223 Work Experience Component (Repealed)
- 121.224 Supportive Service Payments to Meet the Work Requirement (Repealed)
- 121.225 Meeting the Work Requirement with the Illinois Works Component (Repealed)
- 121.226 Meeting the Work Requirement with the JTPA Employability Services Component (Repealed)

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NOTICE OF ADOPTED AMENDMENTS

AUTHORITY: Implementing Sections 12-4.4 through 12-4.6 and authorized by Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-4.4 through 12-4.6 and 12-13].

SOURCE: Adopted December 30, 1977; amended at 3 Ill. Reg. 5, p. 875, effective February 2, 1979; amended at 3 Ill. Reg. 31, p. 109, effective August 3, 1979; amended at 3 Ill. Reg. 33, p. 399, effective August 18, 1979; amended at 3 Ill. Reg. 41, p. 165, effective October 11, 1979; amended at 3 Ill. Reg. 42, p. 230, effective October 9, 1979; amended at 3 Ill. Reg. 44, p. 173, effective October 19, 1979; amended at 3 Ill. Reg. 46, p. 36, effective November 2, 1979; amended at 3 Ill. Reg. 47, p. 96, effective November 13, 1979; amended at 3 Ill. Reg. 48, p. 1, effective November 15, 1979; preemptory amendment at 4 Ill. Reg. 3, p. 49, effective January 9, 1980; preemptory amendment at 4 Ill. Reg. 9, p. 259, effective February 23, 1980; amended at 4 Ill. Reg. 10, p. 253, effective February 27, 1980; amended at 4 Ill. Reg. 12, p. 551, effective March 10, 1980; emergency amendment at 4 Ill. Reg. 29, p. 294, effective July 8, 1980, for a maximum of 150 days; amended at 4 Ill. Reg. 37, p. 797, effective September 2, 1980; amended at 4 Ill. Reg. 45, p. 134, effective October 17, 1980; amended at 5 Ill. Reg. 766, effective January 2, 1981; amended at 5 Ill. Reg. 1131, effective January 16, 1981; amended at 5 Ill. Reg. 4586, effective April 15, 1981; preemptory amendment at 5 Ill. Reg. 5722, effective June 1, 1981; amended at 5 Ill. Reg. 7071, effective June 23, 1981; preemptory amendment at 5 Ill. Reg. 10062, effective October 1, 1981; amended at 5 Ill. Reg. 10733, effective October 1, 1981; amended at 5 Ill. Reg. 12736, effective October 29, 1981; amended at 6 Ill. Reg. 1653, effective January 17, 1982; amended at 6 Ill. Reg. 2707, effective March 2, 1982; amended at 6 Ill. Reg. 8159, effective July 1, 1982; amended at 6 Ill. Reg. 10208, effective August 9, 1982; amended at 6 Ill. Reg. 11921, effective September 21, 1982; amended at 6 Ill. Reg. 12318, effective October 1, 1982; amended at 6 Ill. Reg. 13754, effective November 1, 1982; amended at 7 Ill. Reg. 394, effective January 1, 1983; codified at 7 Ill. Reg. 5195; amended at 7 Ill. Reg. 5715, effective May 1, 1983; amended at 7 Ill. Reg. 8118, effective June 24, 1983; preemptory amendment at 7 Ill. Reg. 12899, effective October 1, 1983; amended at 7 Ill. Reg. 13655, effective October 4, 1983; preemptory amendment at 7 Ill. Reg. 16067, effective November 18, 1983; amended at 7 Ill. Reg. 16169, effective November 22, 1983; amended at 8 Ill. Reg. 5673, effective April 18, 1984; amended at 8 Ill. Reg. 7249, effective May 16, 1984; preemptory amendment at 8 Ill. Reg. 10086, effective July 1, 1984; amended at 8 Ill. Reg. 13284, effective July 16, 1984; amended at 8 Ill. Reg. 17900, effective September 14, 1984; amended (by adding Section being codified with no substantive change) at 8 Ill. Reg. 17898; preemptory amendment at 8 Ill. Reg. 19690, effective October 1, 1984; preemptory amendment at 8 Ill. Reg. 22145, effective November 1, 1984; amended at 9 Ill. Reg. 302, effective January 1, 1985; amended at 9 Ill. Reg. 6804, effective May 1, 1985; amended at 9 Ill. Reg. 8665, effective May 29, 1985; preemptory amendment at 9 Ill. Reg. 8898, effective July 1, 1985; amended at 9 Ill. Reg. 11334, effective July 8, 1985; amended at 9 Ill. Reg. 14334, effective September 6, 1985; preemptory amendment at 9 Ill. Reg. 15582, effective October 1, 1985; amended at 9 Ill. Reg. 16889, effective October 16, 1985; amended at 9 Ill. Reg. 19726, effective December 9, 1985; amended at 10 Ill. Reg.

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NOTICE OF ADOPTED AMENDMENTS

229, effective December 20, 1985; peremptory amendment at 10 Ill. Reg. 7387, effective April 21, 1986; peremptory amendment at 10 Ill. Reg. 7941, effective May 1, 1986; amended at 10 Ill. Reg. 14692, effective August 29, 1986; peremptory amendment at 10 Ill. Reg. 15714, effective October 1, 1986; Sections 121.200 thru 121.208 recodified to 89 Ill. Adm. Code 165 at 10 Ill. Reg. 21094; peremptory amendment at 11 Ill. Reg. 3761, effective February 11, 1987; emergency amendment at 11 Ill. Reg. 3754, effective February 13, 1987, for a maximum of 150 days; emergency amendment at 11 Ill. Reg. 9968, effective May 15, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 10269, effective May 22, 1987; amended at 11 Ill. Reg. 10621, effective May 25, 1987; peremptory amendment at 11 Ill. Reg. 11391, effective July 1, 1987; peremptory amendment at 11 Ill. Reg. 11855, effective June 30, 1987; emergency amendment at 11 Ill. Reg. 12043, effective July 6, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 13635, effective August 1, 1987; amended at 11 Ill. Reg. 14022, effective August 10, 1987; emergency amendment at 11 Ill. Reg. 15261, effective September 1, 1987, for a maximum of 150 days; amended at 11 Ill. Reg. 15480, effective September 4, 1987; amended at 11 Ill. Reg. 15634, effective September 11, 1987; amended at 11 Ill. Reg. 18218, effective October 30, 1987; peremptory amendment at 11 Ill. Reg. 18374, effective October 30, 1987; amended at 12 Ill. Reg. 877, effective December 30, 1987; emergency amendment at 12 Ill. Reg. 1941, effective December 31, 1987, for a maximum of 150 days; amended at 12 Ill. Reg. 4204, effective February 5, 1988; amended at 12 Ill. Reg. 9678, effective May 23, 1988; amended at 12 Ill. Reg. 9922, effective June 1, 1988; amended at 12 Ill. Reg. 11463, effective June 30, 1988; amended at 12 Ill. Reg. 12824, effective July 22, 1988; emergency amendment at 12 Ill. Reg. 14045, effective August 19, 1988, for a maximum of 150 days; peremptory amendment at 12 Ill. Reg. 15704, effective October 1, 1988; peremptory amendment at 12 Ill. Reg. 16271, effective October 1, 1988; amended at 12 Ill. Reg. 20161, effective November 30, 1988; amended at 13 Ill. Reg. 3890, effective March 10, 1989; amended at 13 Ill. Reg. 13619, effective August 14, 1989; peremptory amendment at 13 Ill. Reg. 15859, effective October 1, 1989; amended at 14 Ill. Reg. 729, effective January 1, 1990; amended at 14 Ill. Reg. 6349, effective April 13, 1990; amended at 14 Ill. Reg. 13202, effective August 6, 1990; peremptory amendment at 14 Ill. Reg. 15158, effective October 1, 1990; amended at 14 Ill. Reg. 16983, effective September 30, 1990; amended at 15 Ill. Reg. 11150, effective July 22, 1991; amended at 15 Ill. Reg. 11957, effective August 12, 1991; peremptory amendment at 15 Ill. Reg. 14134, effective October 1, 1991; emergency amendment at 16 Ill. Reg. 757, effective January 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 10011, effective June 15, 1992; amended at 16 Ill. Reg. 13900, effective August 31, 1992; emergency amendment at 16 Ill. Reg. 16221, effective October 1, 1992, for a maximum of 150 days; peremptory amendment at 16 Ill. Reg. 16345, effective October 1, 1992; amended at 16 Ill. Reg. 16624, effective October 23, 1992; amended at 17 Ill. Reg. 644, effective December 31, 1992; amended at 17 Ill. Reg. 4333, effective March 19, 1993; amended at 17 Ill. Reg. 14625, effective August 26, 1993; emergency amendment at 17 Ill. Reg. 15149, effective September 7, 1993, for a maximum of 150 days; peremptory amendment at 17 Ill. Reg. 17477, effective October 1, 1993; expedited correction at 17 Ill. Reg. 21216, effective

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NOTICE OF ADOPTED AMENDMENTS

October 1, 1993; amended at 18 Ill. Reg. 2033, effective January 21, 1994; emergency amendment at 18 Ill. Reg. 2509, effective January 27, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 3427, effective February 28, 1994; amended at 18 Ill. Reg. 8921, effective June 3, 1994; amended at 18 Ill. Reg. 12829, effective August 5, 1994; amended at 18 Ill. Reg. 14103, effective August 26, 1994; amended at 19 Ill. Reg. 5626, effective March 31, 1995; amended at 19 Ill. Reg. 6648, effective May 5, 1995; emergency amendment at 19 Ill. Reg. 12705, effective September 1, 1995, for a maximum of 150 days; peremptory amendment at 19 Ill. Reg. 13595, effective October 1, 1995; amended at 20 Ill. Reg. 1593, effective January 11, 1996; peremptory amendment at 20 Ill. Reg. 2229, effective January 17, 1996; amended at 20 Ill. Reg. 7902, effective June 1, 1996; amended at 20 Ill. Reg. 11935, effective August 14, 1996; emergency amendment at 20 Ill. Reg. 13381, effective October 1, 1996, for a maximum of 150 days; emergency amendment at 20 Ill. Reg. 13668, effective October 8, 1996, for a maximum of 150 days; amended at 21 Ill. Reg. 3156, effective February 28, 1997; amended at 21 Ill. Reg. 7733, effective June 4, 1997; recodified from the Department of Public Aid to the Department of Human Services at 21 Ill. Reg. 9322; emergency amendment at 22 Ill. Reg. 1954, effective January 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 5502, effective March 4, 1998; amended at 22 Ill. Reg. 7969, effective May 15, 1998; emergency amendment at 22 Ill. Reg. 10660, effective June 1, 1998, for a maximum of 150 days; emergency amendment at 22 Ill. Reg. 12167, effective July 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 16230, effective September 1, 1998; amended at 22 Ill. Reg. 19787, effective October 28, 1998; emergency amendment at 22 Ill. Reg. 19934, effective November 1, 1998, for a maximum of 150 days; amended at 22 Ill. Reg. 20099, effective November 1, 1998; emergency amendment at 23 Ill. Reg. 2601, effective February 1, 1999, for a maximum of 150 days; amended at 23 Ill. Reg. 3374, effective March 1, 1999; amended at 23 Ill. Reg. 7285, effective June 18, 1999; emergency amendment at 23 Ill. Reg. 13253, effective October 13, 1999, for a maximum of 150 days; emergency amendment at 24 Ill. Reg. 3871, effective February 24, 2000, for a maximum of 150 days; amended at 24 Ill. Reg. 4180, effective March 2, 2000; amended at 24 Ill. Reg. 10198, effective June 27, 2000; amended at 24 Ill. Reg. 15428, effective October 10, 2000; emergency amendment at 24 Ill. Reg. 15468, effective October 1, 2000, for a maximum of 150 days; amended at 25 Ill. Reg. 845, effective January 5, 2001; amended at 25 Ill. Reg. 2423, effective January 25, 2001; emergency amendment at 25 Ill. Reg. 2439, effective January 29, 2001, for a maximum of 150 days; emergency amendment at 25 Ill. Reg. 3707, effective March 1, 2001, for a maximum of 150 days; emergency expired July 28, 2001; amended at 25 Ill. Reg. 7720, effective June 7, 2001; amended at 25 Ill. Reg. 10823, effective August 12, 2001; amended at 25 Ill. Reg. 11856, effective August 31, 2001; emergency amendment at 25 Ill. Reg. 13309, effective October 1, 2001, for a maximum of 150 days; amended at 26 Ill. Reg. 151, effective January 1, 2002; amended at 26 Ill. Reg. 2025, effective February 1, 2002; amended at 26 Ill. Reg. 13530, effective September 3, 2002; peremptory amendment at 26 Ill. Reg. 15099, effective October 1, 2002; amended at 26 Ill. Reg. 16484, effective October 25, 2002; amended at 27 Ill. Reg. 2889, effective February 7, 2003; expedited correction at 27 Ill. Reg. 14262, effective

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February 7, 2003; amended at 27 Ill. Reg. 4583, effective February 28, 2003; amended at 27 Ill. Reg. 7273, effective April 7, 2003; amended at 27 Ill. Reg. 12569, effective July 21, 2003; peremptory amendment at 27 Ill. Reg. 15604, effective October 1, 2003; amended at 27 Ill. Reg. 16108, effective October 6, 2003; amended at 27 Ill. Reg. 18445, effective November 20, 2003; amended at 28 Ill. Reg. 1104, effective December 31, 2003; amended at 28 Ill. Reg. 3857, effective February 13, 2004; amended at 28 Ill. Reg. 10393, effective July 6, 2004; peremptory amendment at 28 Ill. Reg. 13834, effective October 1, 2004; emergency amendment at 28 Ill. Reg. 15323, effective November 10, 2004, for a maximum of 150 days; amended at 29 Ill. Reg. 5549, effective April 1, 2005.

SUBPART C: FINANCIAL FACTORS OF ELIGIBILITY

Section 121.57 Assets

- a) The value of nonexempt assets shall be considered in determining eligibility.
- b) Value of Nonexempt Assets
 - 1) The value of nonexempt assets is the equity value (fair market value less the amount owed), except for prepaid funeral agreements valued over \$1500.
 - 2) The Department considers the following assets in determining eligibility:
 - A) Liquid Assets
 - i) Liquid assets are those properties in the form of cash or other financial instruments which are convertible to cash, such as, but not limited to, cash on hand, money, in checking or savings accounts, credit union accounts, savings certificates, stocks or bonds, lump-sum payments, prepaid funeral agreements, IRAs and Keogh Plans that do not involve a contractual relationship with someone who is not a member of the same food stamp household.
 - ii) Pension plans are exempt from consideration as an asset, except accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan, that are accessible without a penalty for withdrawal. The amount of the Keogh Plan or IRA to be

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~~counted as an asset is the total value minus any amount that would be lost for early withdrawal. The amount considered is the amount the individual would receive if the account were closed. An individual (one person) Keogh Plan is the nonexempt asset. However, the Keogh Plan involving a household member and someone who is not a member of the same food stamp household is exempt unless the client can make withdrawals from the account without affecting the other individual or individuals.~~

- B) **Nonliquid Assets**
Nonliquid assets are those properties which are not in the form of cash or other financial instruments, such as personal property, licensed vehicles, unlicensed vehicles, buildings, land, recreational properties, and any other property not specifically exempted in Section 121.58.
- C) **Assets of Sponsors of Aliens**
Consider the assets of the sponsor and the sponsor's spouse who sponsored an alien on or after February 1, 1983 (7 CFR 272.1(g)(54) (2001)) in accordance with Section 121.55.
- D) **Licensed Vehicles**
The Department shall consider the equity value of a licensed vehicle unless exempted as stated in Section 121.58.
- E) **Prepaid Funeral Agreements**
The value of prepaid funeral agreements over \$1500.00 per person is considered.

(Source: Amended at 29 Ill. Reg. 5549, effective April 1, 2005)

Section 121.58 Exempt Assets

- a) **Homestead Property**
- 1) The home and surrounding property which, exclusive of public rights of way, is not separated from the home by intervening property owned by others.

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- 2) Homes which are temporarily unoccupied for reasons of employment, training for future employment, illness, or inhabitality caused by casualty or natural disaster, remain exempt if the household intends to return.
 - 3) A lot owned or being purchased by the household if the household intends to build or is building a permanent home and the household does not currently own a home.
- b) **Personal Property**
Household goods, personal effects, one burial plot per household member, and the cash value of life insurance policies. Pension plans are exempt from consideration as an asset, except accounts owned solely by an individual, such as an Individual Retirement Account (IRA), 401 K or Keogh Plan, that are accessible without a penalty for withdrawal, and pension plans except Individual Retirement Accounts (IRA's) and Keogh plans which do not involve a household member in a contractual relationship with someone who is not a member of the same food stamp household. If the Keogh plan involves a member of the household and someone who is not a member of the same food stamp household, it is exempt unless the client can withdraw funds from the plan without affecting the other individual or individuals.
- c) **Income Producing Property**
- 1) Property which is annually producing income consistent with its fair market value (including land or buildings being sold by installment contract), even if only used on a seasonal basis.
 - 2) Property which is essential to the employment or self-employment of a household member, such as, farmland and work related equipment (tools of a tradesman, farm machinery). In the case of farm property (including land, equipment, and supplies) that is essential to the self-employment of a household member in a farming operation, the value of such property shall be excluded from financial resources until the expiration of the one year period beginning on the date such member ceases to be self-employed in farming.
 - 3) A rental home which is used by a household for vacation purposes at sometime during the year is an asset, unless excluded by subsection (c)(1) of this Section.

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- d) **Disaster Relief Payments**
Disaster relief payments provided by federal, state or local government or a disaster assistance organization.
- e) **Inaccessible Assets**
Assets whose cash value is not accessible to the household, such as but not limited to:
- 1) irrevocable trust funds,
 - 2) security deposits on rental property and utilities,
 - 3) property in probate,
 - 4) real property when a good faith effort is being made to sell at a reasonable price,
 - 5) jointly owned assets which cannot be practically subdivided and are accessible only with the consent of the joint owner who refuses to give that consent,
 - 6) non-liquid asset or assets (see Section 121.57(b)(2)(B)) which have a lien against it as a result of a business loan and the household is prohibited by the security or lien agreement from selling the asset or assets,
 - 7) monies received from the Social Security Administration under the PASS Program that are held in a separate account, or
 - 8) an asset if when sold or otherwise disposed of would net the household less than \$1500. The net is determined by subtracting the expenses of disposing of the property from the equity value. This does not apply to negotiable financial instruments or stocks and bonds.
- f) **Prorated Income**
Money which has been prorated as income, such as income of self-employed persons or students.
- g) **Indian Lands**
Indian lands held jointly with the tribe, or land that can be sold only with the

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approval of the Bureau of Indian Affairs.

h) Federal Statute Exclusions

Assets excluded for food stamp purposes by express provision of Federal Statute.

i) Licensed Vehicles

- 1) used primarily for producing income such as, but not limited to, a taxi, truck, or fishing boat. "Used primarily" means: used over 50% of the time the vehicle is used;
- 2) annually producing income consistent with its fair market value (even if only used on a seasonal basis);
- 3) necessary for long distance travel essential to employment, other than daily commuting (such as a sales person, migrant farmworker);
- 4) necessary for subsistence hunting or fishing (game and fish necessary for the livelihood of the household);
- 5) used as the household's home;
- 6) necessary to transport a physically disabled household member regardless of the purpose of such transportation. Only one vehicle per disabled person is allowed. The vehicle need not be specially equipped or used primarily for the transportation of the disabled individual;

*Agency Note: Exclusions (1)-(6) also apply when the vehicle is not in use because of temporary unemployment.
- 7) one licensed vehicle per household, regardless of its use;
- 8) the equity value of one licensed vehicle for each adult household member, regardless of its use;
- 9) the equity value of any other licensed vehicles used by household members under age 18 to drive to and from employment, training or education which is preparatory for employment, or to seek employment. Temporary periods of unemployment are not to affect this exemption;

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- 10) any vehicle if the net proceeds would total less than \$1500 if sold; and
 - 11) property, real or personal, to the extent that it is directly related to the maintenance or use of a vehicle excluded under subsections (i)(1), (i)(2) or (i)(3) of this Section.
- j) Assets of a TANF or SSI household member
All assets of a household member who receives TANF or SSI benefits.

(Source: Amended at 29 Ill. Reg. 5549, effective April 1, 2005)