

240.33 Sec. 7. [256.029] DOMESTIC VIOLENCE INFORMATIONAL BROCHURE.

240.34 (a) The commissioner shall provide a domestic violence informational brochure that
240.35 provides information about the existence of domestic violence waivers for eligible public
241.1 assistance applicants to all applicants of general assistance, general assistance medical
241.2 care, Minnesota family investment program, medical assistance, and MinnesotaCare. The
241.3 brochure must explain that eligible applicants may be temporarily waived from certain
241.4 program requirements due to domestic violence. The brochure must provide information
241.5 about services and other programs to help victims of domestic violence.
241.6 (b) The brochure must be funded with TANF funds.
241.7 EFFECTIVE DATE. This section is effective upon federal approval.

241.8 Sec. 8. [256D.0515] ASSET LIMITATIONS FOR FOOD STAMP HOUSEHOLDS.

241.9 All food stamp households must be determined eligible for the benefit discussed
241.10 under section 256.029. Food stamp households must demonstrate that:
241.11 (1) their gross income meets the federal Food Stamp requirements under United
241.12 States Code, title 7, section 2014(c); and
241.13 (2) they have financial resources, excluding vehicles, of less than \$7,000.
241.14 EFFECTIVE DATE. This section is effective upon federal approval.

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“Categorical Eligibility” for Food Stamps
Why it Matters to Minnesota

“Categorical eligibility” is a critical tool for allowing low-income Minnesota seniors and persons with disabilities to participate in the food stamp program. The Minnesota Department of Human Services reports that roughly one-third of eligible Minnesota seniors are participating in the food stamp program.

By some estimates, Minnesota is now in the bottom third of states for poor food stamp participation among low-income eligible families, seniors, and people with disabilities. About 40% of eligible Minnesotans -- nearly 200,000 people -- are not participating in the program.

Historically, a number of barriers have contributed to poor participation:

- **Very low asset limits** compared to other states
- Lack of awareness of the program
- Stigma
- Burdensome and excessive paperwork

“Categorical Eligibility” is one tool Minnesota began using in October 2006 to help increase participation among seniors and persons with disabilities, primarily through increasing asset limits. Under federal rules, households are not eligible for food stamps if they have assets worth more than \$2,000 (or \$3,000 if the household contains an elderly or disabled member).¹ However, households in which all members are receiving SSI, general assistance or benefits funded with TANF block grant or state maintenance of effort dollars are “categorically eligible” for food stamps.²

Under categorical eligibility, states may not count the resources of such individuals when determining food stamp eligibility.³ The rationale has been that a state or federal agency has already found this household to be needy, a determination sufficient for conferring food stamp eligibility.⁴

In 2006, Minnesota followed the lead of many states that were already using categorical eligibility to increase asset limits and provide increased vehicle asset waivers for needy households.

Minnesota confers categorical eligibility through a domestic violence brochure given to all low-income applicants for food stamps. In practice, this “categorical eligibility” means many Minnesota seniors and persons with disabilities may accumulate up to \$7,000 in assets, excluding vehicles, and still maintain eligibility for food stamps.

¹ Center on Budget and Policy Priorities.

² Id.

³ Id.

⁴ Id.

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SF 3346 / HF 3735

*Removing a Barrier to Food Support for
Seniors, People with Disabilities, and Low-Income Working Families*

Problem:

The Food Support Program is generally restricted to households with little or no assets. Some seniors, people with disabilities, and low-income working families who are otherwise income-eligible for food support are turned away because of an unreasonable asset limitation. This asset limit can force people into difficult choices—selling a moderately priced car, dipping into retirement savings, or cashing out a burial/funeral fund—simply to obtain nutrition assistance.

Counties in Minnesota are missing out on millions of federal dollars because of low participation rates in the Food Support Program; only about half of Minnesota's potential eligible individuals are enrolled.¹ Because the Food Support Program is funded completely by federal funds, the State may be foregoing as much as \$193 million per year in federal spending earmarked for low-income working families, as well as seniors and people with disabilities.

Proposal:

SF 3346 (HF 3735) raises the asset limit to \$7,000, excluding vehicles. Similar to successful initiatives in eleven other states, Minnesota would be able to enroll more individuals in the Food Support Program by addressing the asset barrier. The households targeted by this proposal have monthly incomes close to the federal poverty line, an estimated \$800 to \$2,450/month depending on household size.

Food Support Program and Hunger Facts:

- The Food Support Program is a county-administered, federal program that helps low-income families and people with disabilities purchase nutritious food. It is not intended to meet all of a person's food needs – it is merely a supplement.
- In Minnesota in FY 2004, each participating household received an average of \$176 per month and the average amount per person was \$83.
- The Food Support Program is efficiently targeted to reach people who have the most difficulty affording an adequate diet. Over 95 percent of benefits go to households with incomes below the poverty level; nearly all of the remaining beneficiaries are elderly or disabled.
- Food support benefits are provided in the form of an electronic benefit transfer (EBT) card that can be used in grocery checkout lines only for the purchase of food.

¹ Reggie Wagner and Khanh Ngyuen, Legal Services Advocacy Project. *What If It All Came Home? Increasing Participation in the Minnesota Food Support Program Can Help Families and Communities During Hard Economic Times*. March 2004.
See: <http://www.lsapmn.org/LocalResources.cfm?pagename=LSAP%20Publications>