

Date

Name, Title

Agency

City, State, Zip

RE: Asset policies

Dear (insert name):

On behalf of (insert your organization name), I would like to take this opportunity to submit recommendations to improve access to services at (insert agency name). As you know, (insert section on your organization mission/interest in this issue).

The myriad income and asset limits and exemptions for means-tested programs are very confusing to applicants/recipients and caseworkers. The lack of simple and consistent rules imposes an enormous administrative burden and cost on (insert agency) at a time when it cannot afford to spend a lot of time requesting and checking a lot of paperwork from clients. Moreover, research and anecdotal information confirms that it is confusing to determine who is eligible for public benefit programs. This confusion leads to underutilization of needed work support programs and discourages saving and asset building that increase self-sufficiency and decrease reliance on public benefits.

To simplify the income and asset eligibility issues for (insert agency), clients, and other social service providers, and to encourage saving and asset building, (insert agency) should simplify and align asset rules across programs.

(insert state) has authority under federal TANF, Medicaid, SCHIP, and Food Stamp programs, to eliminate resource/asset rules for these means-tested programs. The best way to do this is through a combination of (insert agency) rule changes and development of a “categorical eligibility” plan under Food Stamps (which will require sign-off by Regional USDA).

States have authority to determine eligibility for TANF under federal block grants. (Insert information on how your state can change this e.g. Public Aid Code). States also have full flexibility to establish resource rules for Medicaid, SCHIP, and child care.

1. Eliminate asset limits for TANF. This helps with food stamps categorical eligibility, too.
2. Establish categorical eligibility for Food Stamps.
3. Raise the income eligibility limit to at least 3 months’ income based on the Self-Sufficiency Standard.

4. At a minimum, expand the income and asset exemptions to exclude Certificates of Deposit, IRAs, IDAs (not limited to TANF funded IDAs), 529 college savings accounts, retirement accounts (401k, 403b, SEP, pensions, annuities, etc.).

The Food Stamp program allows states to confer “categorical eligibility” (cat el) to households in which all members receive a benefit that is funded with either TANF or maintenance of Effort (“MOE”) funds. This benefit does not have to meet the TANF definition of “assistance.” Cat el households are not subject to the resource test that would otherwise apply to the Food Stamp program.

(insert paragraph on your region and what is going on there)

(insert information on how excluding financial products would expand current exemptions). This rewards good saving behavior, increases self-sufficiency, and avoids forfeiture or spend downs for the sole purpose of meeting (insert agency) eligibility requirements. Expanding asset exemptions would be consistent with the goal of the recent Farm Bill to allow states greater flexibility in exempting assets from counting toward the food stamp asset limit.

Name

Title

Organization

Contact information