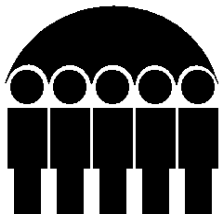


Revised May 30, 2000

Employees' Manual  
Title 7  
Chapter D

FOOD ASSISTANCE  
**RESOURCES**



Iowa  
Department  
of  
Human Services

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## **OVERVIEW**

This chapter describes how resources are used when determining eligibility. The first sections explain resources limits and countable resources, including whose resources to consider, what resources to consider, and how to handle jointly owned resources.

The next section is an alphabetical listing of excluded resources, followed by a section on how to treat vehicles. The penalties for deliberately transferring resources in order to qualify for food stamps are in the last section of the chapter.

## **RESOURCE LIMITS**

**Legal reference:** 7 CFR 273.8(b) and (c), 441 IAC 65.30(2)

Except for categorically eligible households, households are not eligible for food stamps if all countable resources total more than:

- ◆ \$3,000 for all households with one or more eligible members who are disabled or aged 60 or older. (If the only member disabled or older than 60 is a disqualified member, the limit is \$2,000.) See 7-A, [Disabled Member](#).
- ◆ \$2,000 for all other households.

Resource limits do not apply to categorically eligible households. See 7-C, [CATEGORICAL ELIGIBILITY](#), for information on categorical eligibility.

Households cannot have countable resources over the applicable limit unless the household is categorically eligible.

## **COUNTABLE RESOURCES**

Information about determining what resources are countable is organized into the following sections:

- ◆ [Whose resources to count](#)
- ◆ [What resources to count](#)
- ◆ [Verifying resources](#)
- ◆ [Joint ownerships](#)

### **Whose Resources to Count**

**Legal reference:** 7 CFR 273.1(b), 273.8(j), 273.11(c) and (d); 441 IAC 65.30(3)

Count the resources of the following people as being entirely available to the eligible household:

- ◆ All eligible members of the household who do not receive FIP or SSI. The policy in 7-C, [Categorically Eligible FIP or SSI Households](#), describes when FIP or SSI benefits are considered to be received.
- ◆ The portion of an alien's sponsor and sponsor's spouse that is attributed to the alien. See 7-I, [Sponsored Aliens](#).

Resource policies apply the same to an ineligible member's resources as they do for eligible members. Resources that are excluded for eligible household members are also excluded for ineligible members.

Count the entire value of the following ineligible members' resources towards the eligible household's resource limit:

- ◆ Ineligible aliens. See 7-I, [HOUSEHOLDS WITH ALIEN MEMBERS](#).
- ◆ Ineligible ABAWDS. See 7-I, [ABLE BODIED-ADULTS WITHOUT DEPENDENTS \(ABAWDS\)](#).
- ◆ People disqualified for intentional program violation. See 7-J, [INTENTIONAL PROGRAM VIOLATION](#).
- ◆ People disqualified for failure to provide a social security number. See 7-C, [SOCIAL SECURITY NUMBERS](#).
- ◆ People disqualified for failing to comply with a mandatory work registrant requirement. See 7-C, [WORK REQUIREMENTS FOR MANDATORY WORK REGISTRANTS](#).
- ◆ Probation or parole violators and fleeing felons. See 7-I, [FLEEING FELONS AND PAROLE AND PROBATION VIOLATORS](#).
- ◆ Residents of institutions. See Chapter 7-C, [RESIDENTS OF INSTITUTIONS](#).

For households living in a shelter for battered women and children, see [Inaccessible Resources](#).

Do **not** count the resources of the following people as being available to the eligible household:

- ◆ Anyone who receives FIP or SSI. To determine when to consider FIP or SSI benefits as received, see 7-C, [Categorically Eligible FIP or SSI Households](#).

Mr. and Mrs. A have two children. Each child owns several savings bonds. The cash value of the savings bonds is \$1,000 for each child. One of the children receives SSI. The household has no other resources. Do not count the \$1,000 cash value that is owned by the child who is an SSI recipient. The A household has \$1,000 in countable resources.

- ◆ Ineligible students. (See 7-I, [Students](#), for who is an ineligible student.)
- ◆ Boarders who are not included in the Food Assistance household. (See 7-I, [Boarders](#).)
- ◆ Roomers who do not buy and fix food with the household. (See 7-C, [Nonmandatory Members](#).)
- ◆ Live-in attendants who are not included in the Food Assistance household. (See 7-C, [Nonmandatory Members](#).)
- ◆ Other people who live with the household, but are not mandatory household members and do not buy and fix meals with the household. (See 7-C, [HOUSEHOLD COMPOSITION](#).)

### **What Resources to Count**

**Legal reference:** 7 CFR 273.8(c)

Count all liquid and nonliquid resources towards a household's applicable resource limit, unless listed under [EXCLUDED RESOURCES](#). Money cannot be counted as both income and a resource in the same month.

**Liquid Resources**

**Legal reference:** 7 CFR 273.8(c), 273.9(c)(9)

Liquid resources are those resources the household can easily convert to cash.

Examples include:

- ◆ Cash on hand
- ◆ Checking accounts
- ◆ Savings accounts
- ◆ Current market value of stocks and bonds
- ◆ Certificates of deposit

**Nonliquid Resources**

**Legal reference:** 7 CFR 273.8(c)

Nonliquid resources are resources that cannot be easily converted to cash. Examples include:

- ◆ Personal property
- ◆ Land
- ◆ Buildings
- ◆ Vehicles
- ◆ Recreational property
- ◆ Other property not listed under [EXCLUDED RESOURCES](#)

**Nonrecurring Lump Sum**

**Legal reference:** 7 CFR 273.8(c)

Count nonrecurring lump sums as a resource unless excluded by federal law. See [Other Excluded Federal Payments](#). For examples of nonrecurring lump sums, see 7-E, [TYPES OF INCOME: Lump Sum \(Nonrecurring\)](#).

### **Recreational and Vacation Property**

**Legal reference:** 7 CFR 273.8(c)

Count the equity value of property primarily used for recreational or vacation purposes. Examples of recreational and vacation property are:

- ◆ Canoes, rowboats, or kayaks
- ◆ Travel trailers and nonmotorized campers
- ◆ Vacation homes
- ◆ Mobile homes used for vacation or recreational purposes

Motor homes are not treated under this policy. Motor homes are vehicles. See the [VEHICLES](#) policy later in this chapter.

### **Verifying Resources**

**Legal reference:** 7 CFR 273.2(f)(2), 273.8(b)

Ask for verification of any questionable resources. Examples of sources of verification are bank statements, statements from realtors, records from the county assessor's office, and real estate broker listings. (To verify the value of a vehicle, see [VEHICLES](#).)

If you think a payment may be excluded as a resource due to its funding source, contact the agency that issued the payment. Ask the agency for the source of the funding.

Document the amount of the household's countable resources in the case record. Give enough detail to support the basis of the eligibility decision.

### **Joint Ownership**

**Legal reference:** 7 CFR 273.8(d), 441 IAC 65.30(234)

Determine what share of a jointly owned resource is owned by the client. Count the client's share towards the household's resource limit, unless:

- ◆ The household can establish that all or part of the resource is not available, in which case count only the part that is available to the household; **or**
- ◆ The resource cannot be divided, and the household's access to the resource depends upon the approval of the joint owner who will not allow the household access to the resource;  
**or**

- ◆ The resources are jointly owned by people living in a shelter for battered women and children and a person still living in the abuser's household, and the resources are controlled by the person still living in the abuser's household.

When a resource is jointly owned by two or more persons, assume that each person owns an equal share, unless this was not the intent of the people who own the resource. This includes resources jointly owned by a FIP or SSI recipient and a person who is not a FIP or SSI recipient. In this situation, do not count the share of the resource that belongs to the FIP or SSI recipient towards the household's resource limit.

1. Ms. J gets Food Assistance benefits separately from her roommate Ms. B. They have a joint checking account with a \$3,000 balance. Ms. B is a FIP recipient. Ms. J is not. The intent of Ms. J and Ms. B is that half of the money in the checking account belongs to each person. \$1,500 counts towards Ms. J's resource limit.
2. Ms. W, age 56, is legally blind. She lives alone and buys and fixes her own meals, but she is no longer able to see well enough to write personal checks. Ms. W's daughter, Ms. F, writes the checks for her mother, so Ms. F's name is on the checking account. This account is not considered to be a resource to Ms. F, because the intent of the relationship is that the money is to be used exclusively for Ms. W.

A vehicle is jointly owned whether the words "and" or "or" appear on the registration or title. Both people own the vehicle equally unless that is not the intent of the owners. To determine the value of a jointly held vehicle, follow the policies under [VEHICLES](#) later in this chapter.

### **Commingled Funds**

**Legal reference:** 7 CFR 273.8(f)

When excluded funds are commingled in an account with countable funds, the excluded funds retain their exclusion for six months from the date they are commingled, with the exception of:

- ◆ Income that has been prorated, such as self-employment. This type of prorated income remains excluded as a resource for the entire period of time it is prorated. See 7-I, [SELF-EMPLOYED HOUSEHOLDS](#).
- ◆ Earned income tax credits (EITC). EITC is excluded for a specific period of time, regardless whether the money is commingled in an account with countable funds. See [Earned Income Tax Credits \(EITC\)](#) for the period of time that EITC is excluded.

### **Determining the Equity Value of a Resource**

**Legal reference:** 7 CFR 273.8(c)

Count the equity value of countable resources toward a household's applicable resource limit. The equity value of a resource is the fair market value minus the amount owed on the resource.

See [VEHICLES](#) later in this chapter for information on determining the resource value of vehicles.

### **EXCLUDED RESOURCES**

**Legal reference:** 7 CFR 273.8(e)

Some resources are always excluded in determining Food Assistance eligibility.

**Burial Plot**

7 CFR 273.8(e)(2)

Exclude one burial plot for each household member.

**Burial Trusts or  
Funeral Contracts**

7 CFR 273.8(e)(2)

Exclude \$1,500 of the accessible equity value of one burial trust or funeral contract for each household member.

Count as a resource any amount over \$1,500 per household member towards the household's resource limit, unless the contract or trust is inaccessible. See [Inaccessible Resources](#).

**Cafeteria or Flexible  
Benefit Plans**

7 CFR 273.8(e)(2)

Exclude the value of a cafeteria plan to the extent that the household cannot withdraw funds.

Some employers offer employees "cafeteria plans" or "flexible benefit plans." Under these kinds of plans, the household has the employer withhold money and pay certain expenses such as child care and medical expenses as vendor payments to third parties when the expenses are incurred. Under most of these plans, the household cannot withdraw any of the money and if any amount is left over at the end of the year, the household loses the money.

**Conservatorship Funds**

7 CFR 273.8(e)8

Treat conservatorship funds the same as an irrevocable trust in determining whether the funds are accessible. See [Trust Funds](#).

**Crime Victims Payments**

Public Law 103-322

Exclude payments from a crime victim compensation program that is funded under the Victim’s of Crime Act of 1984.

**Current Month’s Income**

7 CFR 273.8(e)

Exclude a household’s income for the current month as a resource even if deposited into a checking or savings account. The current month’s income is counted as income not a resource.

To determine resources when processing an application, subtract all income actually received (net income) in the month, up to and including the date of interview, from countable liquid resources as of the date of interview.

Household P has \$900 in a savings account and \$900 in a checking account (total resources = \$1,800). The household received \$400 in wages during the current month. This amount is excluded, leaving \$1,400 in countable resources.

**Deferred Compensation Plans**

7 CFR 273.8(e)(2)

See [Pension Plans and Retirement Accounts](#).

**Disaster and Emergency Assistance Payments**

Public Law 100-707,  
Section 105  
7 CFR 273.8(e)(7)

Exclude any disaster and emergency assistance payments as provided under the Disaster Relief Act of 1974, and amended by Public Law 100-107, the Disaster Relief and Emergency Assistance Amendments of 1988. This applies to:

- ◆ Federal assistance provided to persons directly affected and to comparable disaster assistance provided by states, local government, and disaster assistance organizations. Examples are HUD payments through the Individual and Family Grant (IFG) program and Small Business Administration disaster loans or grants.
- ◆ Government money the household receives to fix a home damaged by a disaster, if the money must be used for its intended purpose to avoid legal sanction.

- ◆ Disaster unemployment benefits provided under the 1988 amendments to the Disaster Relief Act of 1974. Under this Act, unemployment benefits are provided to persons who are out of work due to a major disaster, including self-employed persons and others who are not covered under regular unemployment insurance benefits.
- ◆ Payments provided by the Federal Emergency Management Agency (FEMA), including payments from the Individual and Family Grant Assistance payments made under Section 408 of the Disaster Relief Act of 1974.

**Earned Income Tax  
Credit (EITC)**

7 CFR 273.8(e)(11)  
Public Law 101-508

Exclude the EITC for:

- ◆ The 12 months from the date the person received the credit, if the person was participating in Food Assistance Program when the credit was received **and** in each of the 12 months (one calendar year) that the EITC covers; or
- ◆ The month of receipt and the next month, if the person does not meet the above criteria.

The policy on [Commingled Funds](#), which limits the length of time that excluded funds retain their exclusion when commingled with countable funds, does not apply to EITC payments.

Household O has received Food Assistance continuously since November 2002. In July 2008, Mr. O gets a job. In 2009, Mr. O receives EITC based on his 2008 earnings.

The EITC covers the period January 1, 2008, through December 31, 2008. The household participated in the program during this entire time period and was participating in the program when the credit was received. Therefore, the household's EITC is excluded as a resource for 12 months.

**Education Accounts**

Public Law 110-246,  
Section 4104(b)

Exclude funds in a qualified tuition program described in section 529 of the Internal Revenue Code of 1986 or in a Coverdell Education Savings Account under section 530 of the Internal Revenue Code. Examples are the College Savings Iowa 529 Plan, other states' 529 plans, and Coverdell accounts (sometimes referred to as Coverdale).

Money that a household puts into regular accounts that do not receive tax-preferred treatment is not excluded.

**EXCLUDED RESOURCES**

**Education Assistance**

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Iowa Department of Human Services

**Title 7** Food Assistance

**Chapter D** Resources

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**Education Assistance**

441 IAC 65.30(5)

See 7-I, [Students: Resources](#).

**Energy Assistance**

**Payments**

7 CFR 273.8(e)(14)

Exclude payments funded through the Department of Health and Human Services Low-Income Energy Assistance Program.

**Homestead**

7 CFR 273.8(e)(1)

Exclude the home the household lives in and the surrounding property. This exclusion also applies when the household intends to return but is temporarily away from home because of:

- ◆ Employment.
- ◆ Training for future employment.
- ◆ Illness.
- ◆ Conditions that made the home and lot uninhabitable due to a casualty or natural disaster.

For the purposes of this exclusion, “surrounding property” is property that the house is on and all other property that is not separated by property owned by someone else. If the household’s property is separated by a public road or other right-of-way, exclude the household’s property that lies on both sides of the public road or right-of-way.

When property owned by someone else divides the household’s property, count that part of the household’s property that is separated from the home and lot by the other person’s property.

Exclude the value of a partially completed home, unless the household owns or is buying a home elsewhere. Exclude only one home at a time, unless the additional home is excluded for a reason listed somewhere else in this chapter.

Exclude the value of a lot upon which the household is planning to build, if the household does not already own or is purchasing a home.

A household may own two houses that are located on contiguous property. Unless the second home is excluded under another policy in this chapter, exclude only the home the household lives in and all surrounding property that is not separated from the home by property owned by others.

Buildings, other than homes, on contiguous property are excluded even if they could be rented.

**Household Goods and Personal Effects**  
7 CFR 273.8(e)(2)

Exclude the value of household goods and personal effects without regard to their value. “Household goods” are items used in and about the house in connection with home occupancy. They are items used to maintain the home as well as to accommodate, comfort and entertain the occupants.

“Personal effects” are the belongings of household members, including items like clothing, books, grooming aids, jewelry, hobby equipment and similar items.

**HUD Family Self-Sufficiency Program**  
7 CFR 273.8(e)(8)

Funds held in a family self-sufficiency escrow account are excluded as long as they are held in the account. When a family self-sufficiency escrow account is released to a household, see [Nonrecurring Lump Sum](#) in this chapter.

**Inaccessible Resources**  
7 CFR 273.8(e)

Do not count resources that are inaccessible to the household. Examples of inaccessible resources include:

- ◆ Security deposits on rental property or utilities.
- ◆ Property in probate.
- ◆ The unpaid portion of loans owed to a household.
- ◆ Real property that the household is trying to sell at a reasonable price but is still unsold. To verify that a property is being sold at a reasonable price, use collateral contacts and documentation such as newspaper ads or real estate broker listings.
- ◆ Resources of a person who lives in a shelter for battered women and children if access depends on the agreement of a joint owner who still lives in the abuser’s household.
- ◆ Certain trust funds. (See [Trust Funds](#), later in this chapter.)
- ◆ Prepaid funeral or burial contracts of any value that are not accessible to the household.
- ◆ Any resource which, if sold or otherwise disposed of, would produce a profit of \$1,500 or less after the estimated costs of sale or disposition. This exclusion does not apply to stocks, bonds or other negotiable financial instruments.

**Indian Gambling Operations**  
7 CFR 273.8(e)

Indian gambling operation payments when made to children are generally placed directly into an inaccessible trust. The amount held in the inaccessible trust fund is excluded as a resource.

**Indian Tribal Land**  
7 CFR 273.8(e)(10)

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

**Indian Tribal Judgment Funds**  
7 CFR 273.8(e)

Indian tribal judgment payments come from funds distributed as a result of judgment awards from breaches of treaty provisions and funds held in trust by the Secretary of the Interior from the sale or lease of oil, gas, and other tribal trust assets such as land. Indian Tribal Judgment Funds are **not** payments from Indian gambling operations. They include:

- ◆ Payments received under the Alaska Native Claims Settlement Act or the Sac and Fox Indian Claims Agreement.
- ◆ Payments received by certain Indian tribal members under Public Law 94-114, Section 6, regarding submarginal land held in trust by the United States.
- ◆ Payments of relocation assistance to members of the Hopi and Navajo Tribes under Public Law 93-531.
- ◆ Payments received from the disposition of funds to the Grand River Band of Ottawa Indians (Public Law 94-540).
- ◆ Payments received by the Confederated Tribes and Bands of the Yakim Indian Nation and the Apache Tribe of the Mescalero Reservation from the Indian Claims Commission (Public Law 95-433, Section 2).
- ◆ Payments to the Passamaguoddy Tribe and the Penobscot Nation or any of their members pursuant to the Maine Indian Claims Settlement Act of 1980 (Public Law 96-420, Section 5).

Exclude payments of \$2,000 or less for each household member per payment per calendar year. Exempt payments of any amount that is placed in an inaccessible trust.

Totally exclude from resources, purchases of \$2,000 or less made solely with funds distributed after December 31, 1981, but before January 12, 1983 (P.L. 93-134, P.L. 97-458 and P.L. 98-64).

**Individual  
Development  
Accounts (IDA)**

P.L. 104-193,  
P.L. 105-285,  
P.L. 106-554.

Exclude funds in an IDA account. An IDA is an optional, interest-bearing account much like an IRA (but it is not a pension plan).

IDAs encourage clients to save for long term goals without the savings affecting eligibility or benefit amount.

IDAs are established and managed by DHS-approved organizations. IDAs are opened in financial institutions and are set up in an individual's name. Any Iowan whose family income is below 200% of the federal poverty level and who lives in an area where there is an IDA project can open an IDA.

**Installment Sales  
Contracts**

7 CFR 273.8(e)(6)

Exclude the value of installment contracts for land or buildings sold at a price consistent with the fair market value of the property.

**Leased Vehicles**

7 CFR 273.8(e)

A leased vehicle is not a resource to a household during the period of the contract, even if part of the lease payments are applied to the principal. Consider as a resource only any gain or benefit that is realized by a household at the end of the lease contract.

**Life Insurance  
Policy's Cash Value**

7 CFR 273.8(e)(2)

Exclude the cash value of a life insurance policy.

**Loans**

7 CFR 273.8(e)

Exempt only loans that are taken for business purposes and that the household is legally prohibited from using for a reason other than for the business.

An employer does not have enough money to pay his employees. The employer takes out a loan for the purpose of meeting his payroll obligations. The lender has a legal restriction placed on the loan that restricts the money from being used for purposes other than the employer paying the employees' wages. This loan is exempt as a resource.

**Mopeds**

7 CFR 273.8(e)(2)

Exclude mopeds that meet the following criteria:

- ◆ A two- or three-wheeled vehicle.
- ◆ With an engine having a displacement no greater than 50 cubic centimeters (50cc).
- ◆ Not capable of operating at a speed in excess of 25 miles per hour on level ground without assistance.
- ◆ Identified by the letter R on the license or title.

**Nonliquid Assets  
Under Lien**

7 CFR 273.8(e)(15)

Exclude the value of nonliquid assets which are under a lien or security agreement that was placed as a condition for a business loan, if the security or lien agreement prohibits the household from selling the assets.

**Other Excluded  
Federal Payments**

7 CFR 273.8(e)(11)

The following is a listing of some of the resources that are excluded for Food Assistance by express provision of federal statute. There are additional resources that are excluded by federal statute, but they are not listed because they occur rarely or do not exist in Iowa.

- ◆ Reimbursements from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 (Public Law 91-646, Section 216).
- ◆ Payments received from the Youth Incentive Entitlement Pilot Projects, the Youth Community Conservation and Improvement Projects, and the Youth Employment and Training programs under Title IV of the Comprehensive Employment and Training Act Amendments of 1978 (Public Law 95-524), but not payments from the Young Adults Conservation Corps under that Act.

Other payments under the Comprehensive Employment and Training Act (CETA) are not exempt from consideration as resources.

- ◆ Payments made to certain United States citizens of Japanese ancestry, resident Japanese aliens, and certain Aleuts under Public Law 100-383, "Wartime Relocation of Civilians."
- ◆ Payments made from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.).
- ◆ Payments made under the Radiation Exposure Compensation Act. (Public Law 101-425)
- ◆ Payments made for children who suffer from birth defects and whose mothers are Vietnam veterans. (Public Law 106-419)
- ◆ Benefits received from the Special Supplemental Food Program for Women, Infants, and Children (WIC).

**Pension Plans and Retirement Accounts**  
7 CFR 273.8(e)(2), Public Law 110-246, Section 4104(b)

Exclude all pension plans whether the funds were contributed by the employer or the employee. Exclude the funds as long as they remain in a pension plan, even if accessible, regardless of whether the person is still employed. Also exclude tax-deferred or tax-advantaged retirement accounts.

Some examples of excluded pension plans and retirement accounts are:

- ◆ 401K plans
- ◆ IRAs
- ◆ Keogh plans
- ◆ Deferred compensation plans
- ◆ 457(b) plans
- ◆ Iowa Public Employees Retirement System (IPERS)

When a person withdraws all the funds from a pension plan or retirement account, the money becomes a resource in the month it is received. If a person withdraws only a portion of the funds, even if taken as a loan, the amount withdrawn is a resource in the month received.

Money that a household puts into regular accounts that do not receive tax-preferred treatment are not excluded.

**Pets and Property  
Used for the Pet**  
7 CFR 273.8(e)(2)

Exclude the value of pets and property used for the pet, such as saddles, bridles, or leashes.

**Prorated Income**  
7 CFR 273.8(e)(9)

Do not count prorated income as a resource in any of the months for which it was prorated. See [7-I](#) for more information on prorated income of people who are self-employed.

**Property Producing  
Income Consistent  
With Fair Market  
Value**  
7 CFR 273.8(e)(4)

Exclude the value of property, such as rental property, that produces income consistent with its fair market value. This is true even when the property produces the income on a seasonal basis.

“Producing income consistent with fair market value” means the gross income received is similar to like properties in the area. For example, monthly rental amounts are generally similar in the same area for similar living quarters.

If the property does not produce income consistent with its fair market value, count the equity value toward the resource limit, unless the property could be exempt under another policy. Also, see 7-I, [Self-Employed Households](#).

**Property Sold Under  
Installment Contract**  
7 CFR 273.8(e)(6)

Exclude property that has been sold under an installment contract.  
Also, see [Nonliquid Assets Under Lien](#).

**Property Necessary to  
Maintain Excluded  
Vehicles**  
7 CFR 273.8(e)(16)

Exclude property necessary to maintain an excluded vehicle, as listed. Exclude only that portion of real property directly used for maintenance. For example, when part of a piece of land is used for storage or repair of the vehicle, exclude only that part, not the entire piece of land.

This exclusion applies only to property necessary to maintain a vehicle used for one of the following purposes:

- ◆ To produce income for more than 50 percent of the time it is used.
- ◆ To produce income consistent with its fair market value, even if used only on a seasonal basis.
- ◆ For long distance travel (other than daily commuting) essential to the employment of a household member or another person whose resources are considered available to the household.
- ◆ Is used as the household's home.
- ◆ Is needed to carry the primary source of fuel for heating.
- ◆ Is needed to carry water for home use.
- ◆ To transport a physically disabled person who is a household member or whose resources are considered available to the household.

**Property Necessary  
for Employment**  
7 CFR 273.8(e)(5)

Exclude property necessary for the employment or self-employment of a household member. See 7-I, [Self-Employed Households](#).

**Trust Funds**  
7 CFR 273.8(e)(8)

Exclude trust funds and income from trust funds if they are not accessible to the household. If it is not clear that a trust is accessible or inaccessible, send in a request for clarification to the DHS central office.

For a trust to be considered inaccessible to the household, all of the following criteria must be met:

- ◆ It must be anticipated that during the certification period:
  - The trust arrangement is not likely to cease, and
  - No household member has the authority to revoke the trust arrangement or change the beneficiary.
- ◆ The trustee who handles the trust must be either:
  - A court appointee who has court-imposed limitations placed on the use of funds that meet the requirements of this section, or
  - An institution, court, corporation, or organization that is not owned by or under the control of a household member.
- ◆ Trust investments must not directly involve or help any business or corporation under the control, direction, or influence of a household member.
- ◆ The irrevocable trust must be established either:
  - From nonhousehold funds by a nonhousehold member, or
  - From the household's own funds, if the trustee uses the funds solely to:
    - Make investments on behalf of the trust, or
    - Pay the educational expenses of any person named by the household creating the trust, or
    - Pay the medical expenses of any person named by the household creating the trust.

**US Savings Bonds**  
7 CFR 273.8(e)

Exclude the value of US Savings Bonds that cannot be cashed in. For bonds that can be cashed, count as a resource the amount the bond is worth at the time resources are being determined, not the face value of the bond.

## **VEHICLES**

**Legal reference:** 7 CFR 273.8(f)

A motor vehicle may be:

- ◆ Excluded as a resource.
- ◆ Counted according to its equity value.
- ◆ Counted according to its excess fair market value over \$4,650.
- ◆ Counted according to either its excess fair market value over \$4,650 or its equity value, whichever is higher.

The **fair market** value is the current value of the vehicle. The **equity** value of a vehicle is the fair market value minus encumbrances.

Discussion on determining and counting the value of motor vehicles is organized as follows:

- ◆ [Excluded motor vehicles](#)
- ◆ [Determining the fair market value of a motor vehicle](#)
- ◆ [Determining the countable value of a motor vehicle](#)
- ◆ [Jointly owned vehicles](#)

### **Excluded Motor Vehicles**

**Legal reference:** 7 CFR 273.8(e)

Exclude the entire value of one motor vehicle for each Food Assistance household. See 4-D, [VEHICLES](#), for examples of motor vehicles.

Exclude the entire value of any remaining licensed vehicle if it:

- ◆ Is used to produce income.
- ◆ Produces annual income consistent with its fair market value. Allow the exclusion even if the work is seasonal.
- ◆ Is used for long distance travel (other than daily commuting) that is essential to employment. This may be employment of a household member or another person whose resources count. Examples include traveling salesmen, or migrants following the migrant stream.

- ◆ Is needed to transport a physically disabled person who is a household member or whose resources count. The physical disability can be either temporary or permanent. If the disability is questionable, a doctor's statement can be used as verification. **Note:** This exclusion does not apply to mental disabilities.

Exclude only one vehicle per physically disabled person. The vehicle does not need to be specially equipped to be excluded. Transportation of the person can be for any reason, not just for medical treatment.

- ◆ Is used as the household's home.
- ◆ Is needed to carry the primary source of fuel for heating.
- ◆ Is needed to carry water for home use.
- ◆ Would produce a profit of \$1, 500 or less, if sold.

Continue to allow the first three exclusions during periods of temporary unemployment, such as when a taxi driver is ill.

These exclusions also apply to vehicles on Indian reservations that do not require a license for vehicles driven by tribal members.

### **Determining the Fair Market Value**

Fair market value is usually found in "blue books," like the National Automobile Dealer's Association (NADA) *Used Car Guide*.

When using this source to determine fair market value, use the wholesale or trade-in value, not the retail value. Do not increase the value because of low mileage or optional equipment. Do not count special equipment to accommodate the handicapped as increased value.

If a new vehicle is not yet listed in the blue book, use another reputable assessment, such as a new car dealership, to determine fair market value.

If the vehicle is no longer listed, accept the estimated value given by the household, unless there is reason to believe the estimated value is not accurate and the value will affect eligibility.

When the estimate is questionable, the household must verify the value of the vehicle using a reputable source (such as an appraisal or a newspaper ad for a like vehicle). Proof of the value of classic cars, antiques, or custom built cars must be from a reliable source.

Ask the household to get proof of the value of any vehicle that is in less than average condition. Vehicles with body damage or engine problems may be worth less than the blue book value.

If you use an Internet blue book web site to verify the fair market value of a vehicle, print a copy of the information as documentation for the case file. The information you use when the verification is made will not be available on the web site at the time of a QC review.

### **Determining the Countable Value of a Vehicle**

**Legal reference:** 7 CFR 273.8(f)(1)&(2)

For unlicensed vehicles, count only the equity value. Unlicensed vehicles include vehicles on Indian reservations that do not require a license for vehicles driven by tribal members.

For leased vehicles, see [Leased Vehicles](#) under [EXCLUDED RESOURCES](#).

To determine the countable value of licensed vehicles that are not excluded under [Excluded Motor Vehicles](#):

1. Appraise each vehicle individually to see if it has excess fair market value (over \$4,650).
2. Count the excess fair market value over \$4,650 as a resource for:
  - ◆ One vehicle for each adult household member.
  - ◆ Any other vehicle a household member under age 18 drives to or from work, to training or education in preparation for work, or to look for work.

Do not consider the equity value for these vehicles. (Continue to exclude the equity value for vehicles of household members under age 18 during periods of temporary unemployment or when a household member is unemployed because of a strike.)

3. Determine the equity value of the remaining vehicles. Compare the equity value to the amount of the fair market value that is over \$4,650. Count as a resource the higher of the excess fair market value over \$4,650 or the equity value.

**FLOW CHART ON THE TREATMENT OF LICENSED VEHICLES**

Exclude these vehicles from consideration.

- ◆ One vehicle per household.
- ◆ Would give a profit of \$1,500 or less if sold?
- ◆ Are used:
  - For income producing purposes?
  - For long distance business travel?
  - For annually producing income consistent with fair market value?
  - As the household home?
  - To carry the primary source of heating or water for the household?
  - To transport a physically disabled member?

Are there any remaining vehicles in the category of:

- ◆ One vehicle for each adult household member?
- ◆ A vehicle used by a household member under the age of 18 for transportation to and from work, training, or education to prepare for work?



**YES**



Evaluate these vehicles for fair market value over \$4,650. Apply excess to resources.



**NO**



Evaluate all remaining vehicles for fair market value over \$4,650 and equity. Apply the greater amount of equity value or the fair market value over \$4,650 to the household's resources.

Example:

A household with two adult members owns five vehicles, as follows:

- ◆ Vehicle A has a fair market value of \$6,000 and an equity value of \$4,000.
- ◆ Vehicle B has a fair market value of \$4,600 and an equity value of \$2,000.
- ◆ Vehicle C has a fair market value of \$4,800 and an equity value of \$3,500.
- ◆ Vehicle D is a licensed motorcycle. It has a fair market value of \$2,000 and equity value of \$700.
- ◆ Vehicle E is a licensed motor home. It has a fair market value of \$5,500 and an equity value of \$1,600.

Calculate the value to count towards the resource limit as follows:

<u>Vehicle</u>	<u>Excess Fair Market Value</u>	<u>Equity Value</u>
A	Excluded	Excluded
B	\$ 0 (4,600 - 4,650)	Excluded
C	\$ 150 (4,800 - 4,650)	Excluded
D	\$ 0 (2,000 - 4,650)	\$ 700
E	\$ 850 (5,500 - 4,650)	\$ 1,600

Vehicle A is excluded as one vehicle per household.

Exclude the equity value of vehicle B and C as one vehicle for each adult household member.

Vehicle D is excluded as a resource because the sale of the vehicle would give the household \$1,500 or less.

Vehicle E must have the equity value counted.

Thus, apply the following toward the household's resource limit:

<u>Vehicle</u>	<u>Excess Fair Market Value</u>	<u>Equity Value</u>	<u>Countable Value</u>	
A	Excluded	Excluded	0	Excluded
B	\$ 0	Excluded	\$ 0	Countable value of B
C	\$ 150	Excluded	\$ 150	Fair market value of C
D	\$ 0	\$ 700	\$ 0	Excluded
E	<u>\$ 850</u>	<u>\$ 1,600</u>	<u>\$ 1,600</u>	Equity value of E
Total Applied:			\$ 1,750	Total countable value

## **Jointly Owned Vehicles**

**Legal reference:** 7 CFR 273.8

If a vehicle is owned by more than one person, first see [Joint Ownership](#) earlier in this chapter to decide the household's share of the value of the vehicle. Then use the following policies to decide how much of the value of the household's share of the vehicle is countable as a resource.

When using the **equity value** policy, only the household's share of the vehicle's equity is considered.

When using the **fair market value** policy, subtract \$4,650 only once per vehicle, regardless of the number of owners. This means you first subtract \$4,650 from the fair market value of the vehicle before determining the household's share to count.

Mr. M and Ms. K get Food Assistance together. Ms. K is an SSI recipient. Mr. M is not. They have two cars titled in both of their names. One car is exempt. The fair market value of the remaining car is \$8,600.  $\$8,600 \text{ minus } \$4,650 = \$3,950$ . The owners' intent is that each person has equal shares of ownership in the car.  $\$3,950 \text{ divided by } 2 = \$1,975$ . \$1,975 is the amount that can be attributed as the excess fair market value towards the household's resource limit.

## **TRANSFERRED RESOURCES**

**Legal reference:** 7 CFR 273.8(i)

A transfer of resources may be either:

- ◆ [Allowable](#) or
- ◆ [Disqualifying](#).

### **Allowable Transfers**

**Legal reference:** 7 CFR 273.8(i)

Allowable transfers involve resources that:

- ◆ Belong to a FIP or SSI recipient.
- ◆ Would not otherwise affect eligibility.
- ◆ Are sold or traded at, or near, fair market value.
- ◆ Are transferred between members of the same household, including ineligible aliens or disqualified persons.
- ◆ Are transferred for reasons other than to qualify or attempt to qualify for Food Assistance. An example is a parent putting money in an educational trust fund (as described in [Trust Funds](#)).

### **Disqualifying Transfers**

**Legal reference:** 7 CFR 273.8(i)

The transfer of resources policy does **not** apply to categorically eligible FIP and SSI recipients. See 7-C, [Categorically Eligible FIP or SSI Households](#).

For all other people, disqualify the entire household if:

- ◆ A person whose resources are considered as countable towards the household deliberately transfers resources within the three-month period immediately preceding the date on the Food Assistance application, **and**
- ◆ The transfer was done solely to qualify the household for Food Assistance.

Also disqualify a certified household if a transfer was done solely for the household to remain eligible for Food Assistance.

For applicant households, disqualification can last up to 12 months, beginning with the month of application. If the household is currently receiving food stamps, begin the disqualification period with the month following the month in which the timely notice period expires, unless the household has requested a hearing and continuation of benefits.

Determining the length of the disqualification period involves several steps:

1. Add the nonexempt transferred resource to the other countable resources of the household.
2. Subtract the resource limit for the particular household from the new amount to find the “amount in excess of the resource limit.”
3. Use the following chart to determine the period of disqualification:

<u>Amount in Excess of Resource Limit</u>	<u>Period of Disqualification</u>
\$ 0 - 249.99	1 month
\$ 250 - 999.99	3 months
\$ 1,000 - 2,999.99	6 months
\$ 3,000 - 4,999.99	9 months
\$ 5,000 or more	12 months

Example:

A one-person household with \$1,750 in a bank account transferred ownership of a car used for work and worth \$5,000 to attempt to qualify for food stamps. The first \$4,650 of the car’s value is exempt, leaving \$350 to apply toward the resource limit. The household’s resource limit at the time of application was \$2,000. Calculate the disqualification period as follows:

\$350 value of the transferred resource (countable value of the car) + \$1,750 bank account = \$2,100. \$2,100 - \$2,000 (resource limit) = \$100 in excess of the resource limit.

Based on the chart, the household must be disqualified for one month.

Send a *Notice of Decision* to disqualify the household if you determine that the household deliberately transferred resources to qualify or attempt to qualify for food stamps. Include in the notice the reason for the disqualification and how long the disqualification will last.

Change the disqualification period if you did not determine the disqualification period correctly. However, a change in household circumstances cannot change or end the disqualification period.



TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF HUMAN SERVICES

CHARLES M. PALMER, DIRECTOR

June 6, 1995

GENERAL LETTER NO. 7-D-27

ISSUED BY: Bureau of Food Stamps

SUBJECT: Employees' Manual, Title 7, Chapter D, "Resources," Title Page, revised; Contents, pages 1 and 2, revised; and pages 1 through 22, revised.

Summary

The existing chapter, 7-D, "Resources" has been reorganized and rewritten to incorporate the Department's updated manual format and writing style. The policy content of the chapter remains unchanged.

See the attached comparison chart that lists the sections and subsections of the current 7-D and where these sections and subsections are located in the revised chapter.

Effective Date

July 1, 1995

Material Superseded

Remove all existing pages from the Employees' Manual, Title 7, Chapter D, and destroy them.

Obsolete Interpretative Memos EA-VII-94-2, "Inaccessible Resources," and EA-VII-90-6 "Vehicle Excluded as Necessary to Transport a Physically Disabled Household Member."

Additional Information

Refer questions about this material to your regional benefit payments administrator.

## 7-D COMPARISON CHART

<i>Current Section or Subsection Title</i>	<i>New Chapter</i>	<i>New Section</i>	<i>New Subsection</i>
<b>Definition of Resources</b>	D	What Resources to Count	Liquid Resources
Liquid Resources	D	What Resources to Count	Liquid Rescues
Nonliquid Resources	D	What Resources to Count	Nonliquid Resources
<b>Maximum Allowable Resources</b>	D	Resource Limits	Maximum Resources for Welfare Reform Households
	D	Resource Limits	Maximum Resources for Regular Households
<b>Resources of Alien's Sponsor</b>	I	Sponsored Aliens	
<b>Jointly Owned Resources</b>	D	Countable Resources	Joint Ownership
<b>Resource Exclusions</b>	D	Excluded Resources	Homestead
Home and Lot	D	Excluded Resources	Homestead
Household Goods	D	Excluded Resources	Household Goods and Personal Effects
Pension Plans or Funds	D	Excluded Resources	Pension Plans
Vehicles and Property Related to Vehicle Maintenance	D	Excluded Resources	Property Necessary for Employment
Income Producing Property	D	Excluded Resources	Property Producing Income Consistent with Fair Market Value
Prop. Essential to Employment	D	Excluded Resources	Property Necessary for Employment
Installment Contracts	D	Excluded Resources	Installment Sales Contacts
Certain Disaster Monies	D	Excluded Resources	Disaster Assistance Payments
Inaccessible Resources	D	Excluded Resources	Inaccessible Resources
Trust Funds	D	Excluded Resources	Trust Funds
Current Month's Income	D	Excluded Resources	Current Month's Countable Income
Prorated Income	D	Excluded Resources	Prorated Income
Indian Tribal Land	D	Excluded Resources	Indian Tribal Land
Monies Excluded by Federal Statute	D	Excluded Resources	Monies Excluded by Federal Statute

<i>Current Section or Subsection Title</i>	<i>New Chapter</i>	<i>New Section</i>	<i>New Subsection</i>
Energy Asst. Payments	D	Excluded Resources	Energy Assistance Payments
Nonliquid Assets Under Lien	D	Excluded Resources	Nonliquid Assets Under Lien
Resources Used by Ineligible Aliens	I	Aliens	
Resources of SSI and FIP HH members	D	Countable Resources	Whose Resources to Count
Handling Excluded Funds	D	Excluded Resources	Commingled Funds
<b>Vehicles</b>	D	Vehicles	Licensed Vehicles
Fair Market Value	D	Vehicles	Licensed Vehicles
Excluded Licensed Vehicles	D	Vehicles	Excluded Motor Vehicles
Fair Market Value Test	D	Vehicles	Licensed Vehicles
Equity Value	D	Vehicles	Licensed Vehicles
Fair Market and Equity Value Test	D	Vehicles	Licensed Vehicles
<b>Disqualifying Transfer of Resources</b>	D	Transferred Resources	
Permissible Transfers	D	Transferred Resources	Allowable Transfers
Action on Disqualified Transfers	D	Transferred Resources	Disqualifying Transfers
Length of Disqualification	D	Transferred Resources	Disqualifying Transfers



TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF HUMAN SERVICES

CHARLES M. PALMER, DIRECTOR

June 28, 1995

GENERAL LETTER NO. 7-D-28

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, "Resources," correction.

Summary

General Letter No. 7-D-27, dated June 6, 1995, stated that the existing Chapter VII-D, "Resources," was to be superseded by the rewritten Chapter 7-D, also titled "Resources," effective July 1, 1995. The effective date has been delayed.

The date that the rewritten chapter, dated June 6, 1995, is to become effective and supersede the existing chapter has been changed to August 1, 1995.

Effective Date

July 1, 1995

Material Superseded

None.

Additional Information

Refer questions about this general letter to your regional benefit payment administrator.



TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF HUMAN SERVICES

CHARLES M. PALMER, DIRECTOR

February 27, 1996

**GENERAL LETTER NO. 7-D-29**

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, *Resources*, Contents (pages 1 and 2), revised; and pages 9 through 11, revised.

**Summary**

This change is being made to add policy regarding Individual Development Accounts (IDAs).

**Effective Date**

Upon receipt.

**Material Superseded**

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (pages 1 and 2)	June 6, 1995
9 through 11	June 6, 1995

**Additional Information**

Contact your benefit payment administrator if you need additional information.



TERRY E. BRANSTAD, GOVERNOR

DEPARTMENT OF HUMAN SERVICES

CHARLES M. PALMER, DIRECTOR

September 2, 1997

**GENERAL LETTER NO. 7-D-30**

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, **Resources**, Contents (pages 1 and 2), revised; and pages 1 through 10, 13 through 19, and 21, revised.

**Summary**

This chapter has been revised to remove the welfare reform policies.

On page 4, information has been added under **Nonrecurring Lump Sum** about retroactive SSI payments. These payments are now being made in installments. Each installment payment is considered to be a nonrecurring lump sum payment.

On page 6, burial contracts are added under **EXCLUDED RESOURCES**.

On page 6, payments made from a crime victim compensation program that is funded under the Victims of Crime Act of 1984, are added under **EXCLUDED RESOURCES**

On page 13, a statement is added to clarify that there are additional sources of resources that are excluded by federal statute. Because these resources would rarely be found in Iowa, they are not listed under the policy.

The amount of the allowable fair market value has been updated to the current \$4,650 limit.

**Effective Date**

July 1, 1997.

### **Material Superseded**

Remove the entire Employees' Manual, Title 7, Chapter D, from the manual and destroy it. This includes:

<u>Page</u>	<u>Date</u>
Manual Letter No. 7-D-4	September 24, 1996
Manual Letter No. 7-D-5	June 24, 1997
Contents (pages 1 and 2)	June 24, 1995
1-8	February 27, 1996
9, 10	February 27, 1996
13-19, 21	June 6, 1995

### **Additional Information**

Contact your benefit payment administrator if you need additional information.



THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

May 30, 2000

## GENERAL LETTER NO. 7-D-31

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, **RESOURCES**, Title Page (revised); Contents (pages 1 and 2), revised; pages 1 through 22, revised; and pages 23, 24, and 25, new.

### Summary

This chapter is revised to add clarification and information asked for in a field survey. Additional revisions were made as a result of questions from the field. Information was also added to match FIP policies where possible.

In response to the field survey:

- ◆ Page 4 was revised to add more information on Keough Plans.
- ◆ In the list of excluded resources, additional information was added on Indian tribal monies, pension plans, property producing income consistent with fair market value, trust funds, and various cross-references to information that is helpful in deciding if a resource is excluded.

Some of the other clarifications that were made to add clarity, and as a result of field questions are:

- ◆ On page 5 additional information was added to the **Nonrecurring Lump Sum** policy.
- ◆ On page 5 additional information was added to the **Verifying Resources** policy.
- ◆ On page 6 additional information was added to the **Joint Ownership** policy.
- ◆ On page 7 the **Commingled Funds** policy was added. This policy was moved from the list of excluded resources, because it concerns the treatment of commingled funds, and is not in itself a resource.

Additional revisions were made to the following policies:

- ◆ **Burial Plot and Burial Contracts.** The order was rearranged and **Burial Contracts** changed to **Burial Trusts or Funeral Contracts**. Additional information was added to this policy.
- ◆ **Disaster Assistance Payments.** Additional information was added.
- ◆ **Education Assistance.** This is a new addition to the listing to give information on what is excluded for food stamp policy.
- ◆ **Homestead.** Information was added.
- ◆ **Household Goods and Personal Effects.** Information was added.
- ◆ **Indian Tribal Judgement Funds.** Information was added.
- ◆ **Loans.** This is a new addition to the alphabetical listing.
- ◆ **Other Excluded Federal Payments** was renamed and the order changed to match the order of the FIP and Medicaid resource chapters. Examples of Indian tribal judgement payments were moved to that heading.
- ◆ **Vehicle** policy is not changed, but the information has been reformatted.

#### **Effective Date**

Upon receipt.

#### **Material Superseded**

Remove the entire Chapter D from Employees' Manual, Title 7, and destroy it. This includes:

<u>Page</u>	<u>Date</u>
Title Page	June 6, 1995
Contents (pages 1 and 2)	September 2, 1997
1-10	September 2, 1997
11	February 27, 1996
12	June 6, 1995
13-19	September 2, 1997
20	June 6, 1995
21	September 2, 1997
22	June 6, 1995

#### **Additional Information**

Refer questions about this general letter to your regional benefit payment administrator.



THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

February 13, 2001

**GENERAL LETTER NO. 7-D-32**

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, *RESOURCES*, page 18, revised.

**Summary**

This revision is being made to implement a clarification to exclude licensed vehicles used to produce income regardless of the time the vehicle is used to produce that income.

**Effective Date**

March 1, 2001

Apply this policy to applications processed on or after March 1, 2001, and actions taken on ongoing cases or at household request on or after March 1, 2001.

**Material Superseded**

Remove from Employees' Manual, Title 7, Chapter D, page 18, dated May 30, 2000, and destroy it.

**Additional Information**

Refer questions about this general letter to your regional benefit payment administrator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

May 8, 2001

## GENERAL LETTER NO. 7-D-33

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, **RESOURCES**, pages 3, 11, 17, 18, and 20 through 22, revised.

### Summary

Page 11 is revised under **Inaccessible Resources**. A resource is excluded as inaccessible if the sale or disposition of the resource would give the household a profit of \$1,500 or less.

Page 18 is revised under **Excluded Motor Vehicles**. A vehicle is now excluded as a resource if the sale of the vehicle would give the household a profit of \$1,500 or less.

Pages 20 through 22 on **Determining the Countable Value of a Vehicle** are revised. One vehicle per adult household member is now excluded from equity test. Any other vehicle used by a household member under age 18 to go to or from work, training or education in preparation for work or to look for work is also excluded. The flow chart and the example are updated with the new policy.

### Effective Date

June 1, 2001

Apply the new policy for applications filed on or after June 1, 2001. Apply the new policy for ongoing cases no later than the next recertification.

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
3, 11, 17	May 30, 2000
18	February 13, 2001
20-22	May 30, 2000

### Additional Information

Refer questions about this general letter to your regional benefit payment administrator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

August 28, 2001

## GENERAL LETTER NO. 7-D-34

ISSUED BY: Bureau of Food Stamps, Division of Economic Assistance

SUBJECT: Employees' Manual, Title 7, Chapter D, *RESOURCES*, Contents (page 2), revised; page 12, revised; and page 12a, new.

### Summary

Page 12a is added to clarify that funds in an Individual Development Account (IDA) are excluded as a resource.

### Effective Date

Upon receipt.

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (page 2)	May 30, 2000
12	May 30, 2000

### Additional Information

Refer questions about this general letter to your regional benefit payment administrator.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

April 9, 2002

## GENERAL LETTER NO. 7-D-35

ISSUED BY: Bureau of Financial and Work Support, Division of Financial, Health, and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, *RESOURCES*, pages 2, 3, and 4, revised.

### Summary

This chapter is revised to add types of ineligible household members whose resources are counted in entirety towards the eligible food stamp household's resource limit. The resources of ineligible fleeing felons, probation or parole violators, and ineligible ABAWDs now count towards the eligible members' resource limit.

### Effective Date

May 1, 2002

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
2	May 30, 2000
3	May 8, 2001
4	May 30, 2000

### Additional Information

Refer questions about this general letter to your area income maintenance supervisor 2.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
JESSIE K. RASMUSSEN, DIRECTOR

September 3, 2002

## GENERAL LETTER NO. 7-D-36

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health, and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, *RESOURCES*, pages 1, 6, 9, and 15,  
revised.

### Summary

This chapter is revised to:

- ◆ Change the resource limit for households with one or more disabled members to \$3000.
- ◆ Remove references to student income.

### Effective Date

October 1, 2002

### Material Superseded

Remove from Employees' Manual, Title 7, Chapter D, pages 1, 6, 9, and 15, dated May 30, 2000,  
and destroy them.

### Additional Information

Refer questions about this general letter to your area income maintenance supervisor 2.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

September 30, 2003

## GENERAL LETTER NO. 7-D-37

ISSUED BY: Bureau of Financial Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, *RESOURCES*, page 14, revised.

### Summary

This chapter is revised to exclude from resources payments made for children who suffer from birth defects and whose mothers are Vietnam veterans, based on Public Law 106-419.

### Effective Date

Upon receipt.

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy it:

<u>Page</u>	<u>Date</u>
14	May 30, 2000

### Additional Information

Refer questions about this general letter to your income maintenance supervisor 2.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

June 15, 2004

## GENERAL LETTER NO. 7-D-38

ISSUED BY: Bureau of Financial Support Programs,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, **RESOURCES**, pages 18 through 24,  
revised.

### Summary

This chapter is revised to exclude from resources the value of one vehicle for each household.

### Effective Date

July 1, 2004

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy it:

<u>Page</u>	<u>Date</u>
18	May 8, 2001
19	May 30, 2000
20-22	May 8, 2001
23, 24	May 30, 2000

### Additional Information

Refer questions about this general letter to your income maintenance supervisor 2.



# STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR  
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

June 30, 2006

## GENERAL LETTER NO. 7-D-39

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, *RESOURCES*, pages 3 and 4, revised.

### Summary

This chapter is revised to:

- ◆ Remove the reference to food stamps on these pages and add the current program name, Food Assistance.
- ◆ Change the language regarding lump sums to match the language used in Chapter 7-E, *INCOME*.

### Effective Date

Upon receipt.

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
3, 4	April 9, 2002

### Additional Information

Refer questions about this general letter to your income maintenance administrator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
KEVIN W. CONCANNON, DIRECTOR

June 8, 2007

## GENERAL LETTER NO. 7-D-40

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, **RESOURCES**, pages 5, 6, and 18,  
revised.

### Summary

This chapter is revised to:

- ◆ Give more information regarding the exclusion of one motor vehicle per Food Assistance household. This exclusion follows the Family Investment Program (FIP) policy that excludes one motor vehicle. A cross-reference is added to the FIP manual to clarify what vehicles can be excluded under this policy. This exclusion of the entire value of one motor vehicle applies to all Food Assistance households.
- ◆ Change a reference in an example from food stamps to Food Assistance.

### Effective Date

Upon receipt.

### Material Superseded

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
5	May 30, 2000
6	September 3, 2002
18	June 15, 2004

### Additional Information

Refer questions about this general letter to your income maintenance administrator.



September 12, 2008

**GENERAL LETTER NO. 7-D-41**

ISSUED BY: Bureau of Financial and Work Supports,  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, **RESOURCES**, Contents (pages 1 and 2), revised; and 3, 4, and 7 through 20, revised.

**Summary**

This chapter is revised to:

- ◆ Exclude tax-advantaged education accounts and retirement accounts from countable resources.
- ◆ Correct typographical errors and legal references.

**Effective Date**

October 1, 2008

**Material Superseded**

Remove the following pages from Employees' Manual, Title 7, Chapter D, and destroy them:

<u>Page</u>	<u>Date</u>
Contents (page 1)	May 30, 2000
Contents (page 2)	August 28, 2001
3, 4	June 30, 2006
7, 8	May 30, 2000
9	September 3, 2002
10	May 30, 2000
11	May 8, 2001
12	August 28, 2001
13	May 30, 2000

14	September 30, 2003
15	September 3, 2002
16	May 30, 2000
17	May 30, 2001
18	June 8, 2007
19, 20	June 15, 2004

**Additional Information**

Refer questions about this general letter to your income maintenance administrator.



# STATE OF IOWA

CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES  
CHARLES J. KROGMEIER, DIRECTOR

July 31, 2009

## GENERAL LETTER NO. 7-D-42

ISSUED BY: Bureau of Financial and Work Supports  
Division of Financial, Health and Work Supports

SUBJECT: Employees' Manual, Title 7, Chapter D, **RESOURCES**, Manual Letter 7-D-7,  
obsolete.

### Summary

This chapter is revised to remove Manual Letter 7-D-7, which explains provisions of a waiver of federal regulations regarding countable resources for households affected by the 2008 summer storms and floods. This waiver expires July 31, 2009. For any application, recertification, or reported change after July 31, 2009, regular policies must be applied.

### Effective Date

August 1, 2009

### Material Superseded

Remove Manual Letter 7-D-7, dated February 13, 2009, from Employees' Manual, Title 7, Chapter D, and destroy it.

### Additional Information

Refer questions about this general letter to your area income maintenance administrator.