



**OFFICE OF FAMILIES & CHILDREN LETTER #84**  
**(Office of Family Stability)**  
April 29, 2009

**TO:** Directors, County Departments of Job and Family Services

**FROM:** Trudie Bormann, Acting Deputy Director  
Office of Families and Children

**SUBJECT: American Recovery and Reinvestment Act of 2009**

The American Recovery and Reinvestment Act (ARRA) of 2009, H.R. 1, was recently passed by Congress and signed into law. There are several provisions in the Act that will affect the cash and food assistance programs which are summarized in this letter.

***Increased Maximum Food Assistance Allotments***

Section 101 of the ARRA provides for a temporary increase in food assistance benefits. The allotments increased by 13.6% effective April 1, 2009. The increase amounts to approximately \$20 per person. A mass change was run to implement the increase. Policy pertaining to the increase was issued with Food Assistance Change Transmittal # 33 on March 25, 2009.

***Special Economic Recovery Payments***

Section 2201 of the ARRA authorizes a one-time economic recovery payment of \$250 to individuals receiving Social Security, Supplemental Security Income, Railroad Retirement benefits and Veterans disability compensation or pension benefits. Paragraph (c) of this section of the Act excludes this payment as income and resources for purposes of determining the eligibility of the recipient and family for benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds. Therefore, this payment is not to be counted for the cash and food assistance programs. It is anticipated that these payments will be issued as early as May 2009.

***Extension of Unemployment Compensation benefits***

Individuals can receive state-extended unemployment compensation benefits after their federal-extended benefits expire. Individuals who qualify will receive up to 20 weeks of

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additional benefits, for a total of up to 79 weeks overall. These benefits are known as “Ohio Extended Benefits” or Ohio EB. The last week payable for the extended benefits

will be the week ending May 29, 2010. There is no change in the treatment of the extended benefits for cash and food assistance programs.

***Federal Additional Compensation***

The Federal Additional Compensation (FAC) benefit is payable to any individual who is eligible for the following benefits:

- Regular unemployment compensation;
- Unemployment compensation for federal employees;
- Unemployment compensation for ex-service members;
- Emergency unemployment compensation;
- Extended benefits;
- Trade Readjustment Allowances;
- Disaster unemployment assistance.

The first week for which the FAC benefit may be paid is February 22-28, 2009. The initial payment will be in a lump sum payment that includes benefits that began in February and should be sent by the end of April or the first of May. This payment is treated as a non-recurring lump sum payment for all programs and is excluded as income.

After the initial lump sum payment is issued, the individual will receive weekly benefits of either \$25, or \$22 if taxes are deducted. The benefit will be issued separately from the weekly unemployment compensation benefit. The FAC may be received by an eligible individual through the week of July 3, 2010. The weekly FAC is considered countable income for cash and food assistance programs and is excluded income for the Medicaid programs.

A file containing both the weekly benefits and the FAC benefits will be generated to CRIS-E data exchange every Monday. If the FAC payment is not reflected on the AEFMI screen, an alert will be generated to the worker to add the FAC benefit amount and rerun the case so that it is used in the cash and food assistance budgets. A new code, UCFA, has been added to the TVIN table to count the FAC in the cash and food assistance budgets and exclude it from counting in the Medicaid programs. However, it must be entered on AEFMI separately from the weekly unemployment compensation benefit with the UCFA code in order for the exclusion to occur for the Medicaid programs.

The generation of the alert will meet the requirement of “verified upon receipt”. The worker does not need to take additional steps to confirm this amount, such as contacting the Office of Unemployment Compensation or requiring the individual to provide proof of the FAC benefit.

We anticipate that the first alert will be generated by May 19, 2009. Workers will have from May 19 to June 12 (adverse action cutoff) to add the benefit amount and rerun the case and enter the appropriate negative reason code to reduce the cash and food assistance benefits.

A CRIS-E view flash bulletin with this information will be issued prior to the first alert being generated. Counties can access BIC for a report to ensure that they have added the FAC benefit to all appropriate cases. Instructions on accessing BIC will be included in the bulletin or issued in a separate bulletin.

***Temporary Increase in Earned Income Tax Credit***

Section 1002 of the ARRA provides a temporary increase in the Earned Income Tax Credit (EITC) for an individual with 3 or more qualifying children and provides additional marriage penalty relief for 2009 and 2010 tax returns. Additional information on the EITC was issued on February 9, 2009 in Office of Family Stability Letter #83. The Earned Income Tax Credit is excluded as income or resources in the cash and food assistance programs.

***Additional Child Tax Credit***

Section 1003 of the ARRA amends the child tax credit (CTC) to increase eligibility for the refundable portion of the child tax credit for 2009 and 2010. For both years, the refundable portion of the child tax credit is calculated based on 15% of the earned income in excess of \$3000. For 2008, the refundable portion of the child tax credit was calculated based on 15% of the earned income in excess of \$8500. Additional information on the CTC was issued on February 9, 2009 in Office of Family Stability Letter #83. The Child Tax Credit is excluded as income or resources in the cash and food assistance programs.

If you have any questions regarding this letter, please contact the Office of Families and Children Program Policy Services Unit using the TANF\_FSTA mailbox or at 1-866-886-3537 (option 6).

**Attachment**

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