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 Department of Human Services  
 Division of Public Welfare  
 Trenton 08625

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 Assistance standards handbook



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February 10, 1983

Assistance Standards Handbook  
 Transmittal Letter #31

TO: Holders of the Manual

Subject: Revisions to the Assistance Standards Handbook

Attached are revisions to the Assistance Standards Handbook. Please note that subchapters 1,2 and 4 have been updated to reflect previously adopted regulations and converted to the numbering system of the New Jersey Administrative Code (N.J.A.C.). Subchapters 3 and 5 are currently in process of update/conversion and will be issued in the near future.

NOTE:

The dates (April 1981 or later only) at the bottom of revised pages denote either the latest adoption, readoption, or effective operational date of the material, pursuant to publication/republication in the New Jersey Register.

Conversion Chart

Section Designation(s)		Cross-Reference(s)	
<u>N.J.A.C.</u>	<u>Existing Manual Section(s)</u>	<u>N.J.A.C.</u>	<u>Existing Manual Section(s)</u>
Subchapter 1	Part I	ASH 10:82-3.2(b)6-10 PAM 10:81-2.7(c)2 (c)3 3.41(a)21 3.33 ASH 10:82-3.2(b)81(1) 5.6-5.9	311.7-311.11 2532.2 2532.21 3951(b)(1) 3730 311.9a.1 521-524
Subchapter 2	Part II	PAM 10:81-8.13(a)2 7.40-7.45 7.47 7.1-7.6 ASH 10:82-5.10	8441.2 7810-7860 7833 7100-7120 530

*NJ/KAB  
 I 5/F4*

Subchapter 2 1975 C. 2

*JML  
 3/19/83*

<u>Section Designation(s)</u>		<u>Cross-Reference(s)</u>	
<u>N.J.A.C.</u>	<u>Existing Manual Section(s)</u>	<u>N.J.A.C.</u>	<u>Existing Manual Section(s)</u>
10:82-3.13(a)-(g)	Follows 335c.	10:82-3.10-12	333-335
Subchapter 4	Part IV	3.2(b)7	311.8
		3.7(a)4	324.4
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Part II  
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Part IV  
pages 1-8

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page 1 dated 7/77  
page 2 dated 7/80  
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page 4 dated 12/31/81  
pages 5-7 dated 12/20/82 ✓  
page 8 dated 11/79

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page 11 dated 12/31/81 ✓

Subchapter 5  
pages 1-4

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Sincerely yours,

*G. Thomas Riti/ah*

G. Thomas Riti, Director  
Division of Public Welfare

GTR:HMD:MMp

Attachment

cc: Larry J. Lockhart  
Special Assistant to the Commissioner

STATE OF NEW JERSEY  
DEPARTMENT OF HUMAN SERVICES  
DIVISION OF PUBLIC WELFARE

ASSISTANCE STANDARDS HANDBOOK

July 1977

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GENERAL PROVISIONS

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## SUBCHAPTER 1. GENERAL PROVISIONS

10:82-1.1 Purpose of handbook

- (a) This handbook is published as an integral part of the Public Assistance Manual, and shall at all times be used and interpreted in conjunction with the manual.
- (b) It is the purpose of this handbook to establish:
  - 1. The public assistance allowances for eligible families and children;
  - 2. Methods for evaluating the resources available to such persons;
  - 3. Procedures for determining the amount of the assistance grant; and
  - 4. The amount of and criteria for payments additionally allowable for recognized services and for emergency assistance.

10:82-1.2 Schedules of allowance

- (a) The public assistance allowance is the standard amount established for each eligible unit. The allowance is determined according to the number of persons in the eligible unit, as identified in N.J.A.C. 10:82-1.3.
- (b) The AFDC program is composed of three segments (see N.J.A.C. 10:81-2.4). Allowance standards for persons eligible under the AFDC-C and AFDC-F segments appear in Schedule I. Allowance standards for persons eligible under the AFDC-N segment appear in Schedule II. Standards in Schedule II are set by State statute at 66-2/3 percent of the AFDC-C and -F standards.
- (c) See the Public Assistance Manual, Appendix A, for Schedule III which identifies the public assistance allowance for certain Cuban Refugee individuals who are not eligible for assistance in accordance with AFDC standards.

## GENERAL PROVISIONS

## Public Assistance Allowance Standards

## AFDC Program

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\$137	1	\$ 91
273	2	182
360	3	240
414	4	276
468	5	312
522	6	348
576	7	384
630	8	420
684	9	456
738	10	492
add \$54 each person	more than 10	add \$36 each person

GENERAL PROVISIONS

10:82-1.2 (continued)

(d) AFDC eligibility shall not exist for any month if the total income of the eligible unit exceeds the amount indicated in Schedule III for the appropriate eligible unit size and program segment. For this purpose, total income shall include all income of the eligible unit (without benefit of the disregards in N.J.A.C. 10:82-4.4 or 4.5) including the income of stepparents and alien sponsors determined available to the eligible unit in the N.J.A.C. 10:82-2.9 and 3.13. Total income includes the earned income of the AFDC children. Child support payments, whether received directly by the household or collected through the CSP process, shall be counted in the determination of total income (see N.J.A.C. 10:82-2.13(f) for companion cases).

1. The AFDC grant shall not be considered as income for this purpose.
2. Funds exempted under N.J.A.C. 10:82-1.7 and 3.2(b)6 through 10 and monies disregarded under N.J.A.C. 10:82-4.6 shall not be considered income for this purpose.

Schedule III  
Maximum Income Levels

AFDC-C AFDC-F	Number in Eligible Unit	AFDC-N
\$ 206	1	\$137
410	2	273
540	3	360
621	4	414
702	5	463
783	6	522
864	7	576
945	8	630
1026	9	684
1107	10	738
Add \$31 each person	More than 10	Add \$54 each person

GENERAL PROVISIONS10:82-1.3 Eligible unit; all segments

- (a) The eligible unit shall be comprised of those family members who apply for and are eligible to receive public assistance. It shall include one or more eligible children unless such child is a recipient of SSI benefits.
- (b) When a recipient of SSI payments is a family member, he/she shall not be included in the eligible unit.
1. When all eligibility factors are present in a family of two or more people, the individuals not receiving SSI benefits shall comprise the eligible unit. This applies to a parent as well as to a child.
- (c) An individual who incurs a penalty of ineligibility shall not be included in the eligible unit (see N.J.A.C. 10:82-2.5).
- (d) The eligible unit shall include the parent(s) and/or needy parent-person(s) with whom the eligible children live, unless such parent has incurred a penalty of ineligibility (N.J.A.C. 10:82-2.5), is an SSI recipient or is an illegal alien (see N.J.A.C. 10:81-3.9(c)).

10:82-1.4 Eligible unit; AFDC-C and -F segments

- (a) The AFDC-C segment shall include:
1. The natural or adoptive parent(s) of one or more of the eligible child(ren); □
  2. The stepparent (the spouse of a natural or adoptive parent), when the natural or adoptive parent designates the stepparent as an individual whose presence in the home is essential to his/her well-being and elects that such person shall be included, according to N.J.A.C. 10:82-2.9;
  3. An enumerated parent-person and his/her spouse, when such individuals claim to be financially eligible;
  4. When the child(ren) lives with a parent-person who is not him/herself applying for assistance and a natural or adoptive parent is not in the home, only the eligible child(ren) comprises the eligible unit.
- (b) The AFDC-F segment shall include the natural or adoptive parents with whom the eligible child(ren) lives when both parents are in the home, are not incapacitated and the parent who is the principal earner meets □ the Federal definition of unemployment as set forth in FAMI.

## GENERAL PROVISIONS

## 10:82-1.4 (continued)

- (c) A child not meeting AFDC age requirements is not eligible for AFDC-C or -F and shall not be included in the eligible unit. For determination of Medicaid eligibility for such children under the age of 21, see N.J.A.C. 10:82-2.10.
- (d) When an applicant for AFDC-C must wait for incapacity to be established and is in immediate need, eligibility shall be considered for AFDC-F or -N. See also 10:81-2.7(c) 2 and 3.
- (e) Identifying the allowance for a member of an eligible unit: When it is necessary to identify the allowance for an individual member of the eligible unit, such as when this information is required by a court order for support, his/her per capita share of the eligible unit's public assistance allowance is determined from the Per Capita Table following N.J.A.C. 10:82-2.13. (See N.J.A.C. 10:81-3.41(a)2i for policy relative to settlement of claims.)

10:82-1.5 Eligible unit; AFDC-N segment

- (a) The eligible unit shall include the two natural or adoptive parents and their eligible children under 18 years of age and any child age 18 if a full-time student in a secondary school, or in the equivalent level of vocational or technical training, and reasonably expected to complete the program before reaching age 19. If one parent has children of his or her own living in the home, the following shall apply:
1. When a parent has children of his/her own, this parent, this parent's spouse, and this parent's child(ren) may be eligible for the AFDC-C segment. The needs of the remaining eligible members of the unit shall be met according to -N segment standards. (See N.J.A.C. 10:82-2.13 for budgeting companion cases.)
  2. The same potential for eligibility under the AFDC-C segment may apply to each parent in his/her own right, in which event only their joint children shall be -N segment eligibles.
- (b) A child not meeting program age requirements is not eligible for AFDC-N and shall not be included in the eligible unit. See N.J.A.C. 10:81-3.22 through 8.25 for possible Medicaid eligibility.

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GENERAL PROVISIONS

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10:82-1.6 Eligible person temporarily in an institution or Job Corps Center

(a) A member of the eligible unit who is temporarily in an institution in accordance with N.J.A.C. 10:81-3.33 shall continue to be regarded as an eligible member of that unit. □

1. When the absence of an -M segment parent will continue for 30 days or longer, the remaining members of the family may be eligible for AFDC-C.

(b) In situations where such institutional care continues for a period of 30 days or more (disregarding any interruptions for "visits home" by the day or weekend), an adjustment to accommodate to this absence must be made in the computation of the family's assistance grant. For this purpose, enter as "other income" on the PA-3A form:

1. \$25.00 in AFDC-C and -F cases;

2. \$17.00 in AFDC-M cases.

(c) When a child receives vocational training at a Residential Job Corps Center which permits him/her to return home for weekends, the child shall be considered temporarily absent and regarded as an eligible member of the family unit. (A child receiving training at one of the three National Job Corps Centers located in Kentucky, Indiana and Utah is to be considered permanently absent and shall not be considered a member of the eligible unit.)

## GENERAL PROVISIONS

10:82-1.7 Eligible AFDC child regularly attending school

- (a) When an eligible child is a student regularly attending school, college or university, or regularly attending a course of vocational training designed to fit him or her for gainful employment, this child shall be included as a member of the eligible unit whether or not he or she is living in the home during the period in which he/she is pursuing his or her studies. (See N.J.A.C. 10:82-1.9 for definitions of school attendance.)
- (b) Any grant or student loan received by such child in the form of a Pell Grant, Supplemental Educational Opportunity Grant, or National Direct Student Loan shall be fully disregarded in computing the grant so long as the child continues to attend school as stated in (a) above and meets the conditions under which such moneys are granted. Student loans from other sources are disregarded to the extent they meet the criteria of N.J.A.C. 10:82-3.2(b) 3i(1). Other grants and scholarships shall be disregarded to the extent that the payment is used for expense directly related to education such as tuition, books, fees, equipment, transportation for school purposes, and child care services necessary for school attendance. Any such funds received which serve to duplicate the public assistance grant shall not be disregarded.
1. Funds received through college work study programs shall be disregarded.
- (c) During any period for which a child receives a grant, scholarship or student loan under a Federal, State or other public or private program, he/she shall not be entitled to an allowance for expenses incident to training. In all other situations, such an allowance shall be provided in accordance with the provisions of N.J.A.C. 10:82-5.6 through 5.9.
- (d) If the student is in fact living apart from the eligible unit and is receiving all expenses for room and board from other sources, an adjustment to accommodate for this absence must be made in computing the family's grant. For this purpose, the amount of \$25.00 per month for AFDC-C and -F children or the amount of \$17.00 per month for AFDC-N children shall be entered as "other income" on the PA-3A form.

GENERAL PROVISIONS10:82-1.8 Parent regularly attending school (all segments)

(a) When a parent of an eligible child is a student regularly attending school as defined in N.J.A.C. 10:82-1.9, the provisions of N.J.A.C. 10:82-1.7(b) and (c) shall apply.

1. Payment for child care shall be provided where necessary to enable a parent to attend school so long as the parent can demonstrate that his/her scholarship(s) or grant(s) does not provide monies which can be utilized for such care, and child care is not provided through any other source. When the scholarship(s) makes no specific provision for child care, all school related expenses shall be deducted from the scholarship and any balance remaining shall be considered in the determination of child care payments. (See N.J.A.C. 10:82-5.2 through 5.4.)

10:82-1.9 School attendance defined

(a) A child shall be considered a student regularly attending a school or training course when he/she is enrolled in and physically attending, as certified by the school or institute, a program of study or training leading to a certificate, diploma or degree:

1. Full time; or
2. At least half time and is regularly employed part time or is available for and actively seeking part-time employment; or
3. At least half time and is precluded from full-time attendance or part-time employment because of a verified physical handicap.

(b) Full-time and half-time attendance are defined as:

1. In a trade or technical school, in a program involving shop practice, full-time is 30 clock hours per week and half-time is 15 clock hours; in a program without shop practice, full-time is 25 clock hours and half-time is 12 clock hours;
2. In a college or university, full-time is 12 semester or quarter hours and half-time is eight semester or quarter hours;
3. In a secondary school, full-time is 25 clock hours per week or four Carnegie units per year and half-time is 12 clock hours or two Carnegie units;
4. In a secondary education program of cooperative training or in apprenticeship training, full-time attendance is as defined by the State Department of Education.

(c) A child shall be considered in regular attendance in months in which he/she is not attending because of official school or training program, vacation, illness, convalescence, or family emergency, and for the month in which he/she begins, completes or discontinues his/her school or training program.

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PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANTSUBCHAPTER 2. PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT10:82-2.1 Form PA-3A or Form 105

- (a) To determine the monthly assistance grant, Form PA-3A, Worksheet and Authorization for Public Assistance, or Form 105, the computer (CODES) input form, as appropriate, shall be prepared for each eligible unit. (See CODES Manual for preparation of Form 105.) All information supporting the data on Form PA-3A or Form 105 must be included in the agency's case record.
- (b) Form PA-3A, shall be completed in the following order:
1. Part I: All members of the eligible unit must be listed in Part I, followed by the appropriate information:
    - i. Under the heading CHECK, the appropriate segment column will be checked for each eligible person;
    - ii. The total number of adults and children eligible for each segment shall be recorded in the "Recipient Count" box in the upper right hand corner of the PA-3A;
    - iii. In companion cases, all eligible persons shall be listed on a single PA-3A (see N.J.A.C. 10:82-2.13);
    - iv. Under "Categorically Related", list those persons not in the eligible unit who are eligible for Medicaid. □
  2. Part VI: For all new applications, Part VI, Determination of Initial Eligibility, must be completed first, in accordance with N.J.A.C. 10:82-2.7 or 2.11.
  3. Part V: When one or more members of the eligible unit have earned income (N.J.A.C. 10:82-4.2 through 4.9), compute the calculated earned income in Part V. See N.J.A.C. 10:82-2.3 and 2.12 for methods for determining calculated earned income.
  4. Part II: The amount of the regular monthly grant is determined in Part II, Amount of Allowance. Make the appropriate entries according to key numbers indicated on the form (pages 3 and 4) as follows:

10:32-2.1(b)4 (continued)

i. Key numbers:

- (1) Enter any payment(s) received from Social Security (RSDI):
- (2) Enter amount of calculated earned income, if any, as determined in Part V. In companion cases, enter the total CEI of the two segments:
- (3) Enter any other income actually available to the eligible unit, identifying the source in the space provided, such as contributions from LRRs, pensions other than Social Security, etc. (see N.J.A.C. 10:32-4.10 through 4.12 on unearned income), and adjustment for eligible member temporarily out of the home (N.J.A.C. 10:32-1.6(b) and 1.7(d)):
- (4) Total all income;
- (5) Enter public assistance allowance(s) from the appropriate schedules;
- (6) Enter the amount, or total of amounts, in (5):
- (7) Enter total income from (4):
- (8) Subtract (7) from (6) to determine the adjusted allowance.

ii. The monthly grant:

- (1) The monthly grant is the amount of the adjusted allowance unless part or all of payment is being recouped in accordance with N.J.A.C. 10:32-2.19.
- (2) If the amount of the monthly grant is not a whole dollar, the grant shall be rounded down to the next lower whole dollar. ]
- (3) No grant shall be payable if the amount determined is less than \$10.00 except when the grant is less than \$10.00 solely as a result of the recovery of an overpayment.
- (4) Even if maximum income eligibility has been established, if no income deficit exists (except when due solely to the recovery of an overpayment or because of rounding the amount which would otherwise be payable) the family is ineligible for AFDC and Medicaid. ]

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT

10:82-2.1(b) (continued)

- 5. Part III: Determine the amount of the first assistance payment (initial grant) in accordance with N.J.A.C. 10:82-2.3. (No initial grant shall be made if the amount determined otherwise payable, is less than \$10.00.)
- 6. Part IV: Entries under Recommendation and Decision, Part IV, shall be made by the worker, using one or more of the spaces provided. Thus, the initial grant and the regular grant may both be listed, the regular grant only, or any other applicable combination. Give "Reason for Action" to explain the recommendation(s). The PA-3A becomes an official authorization when the county welfare agency director's signature or facsimile appears in the lower right corner.

10:82-2.2 Initial grant

(a) When eligibility has been determined, the initial grant shall be computed as follows:

- 1. All income available from the date of application to the end of the month shall be considered. The countable income shall be subtracted from the appropriate monthly assistance standard and the result shall be prorated by multiplying that amount by the factor appropriate for the date of application in the table below. If the result is not a whole dollar amount, the amount shall be rounded to the next lower whole dollar.

<u>Date of Application</u>	<u>Multiplication Factor</u>	<u>Date of Application</u>	<u>Multiplication Factor</u>
1	1.000	16	.5000
2	.9666	17	.4666
3	.9333	18	.4333
4	.9000	19	.4000
5	.8666	20	.3666
6	.8333	21	.3333
7	.8000	22	.3000
8	.7666	23	.2666
9	.7333	24	.2333
10	.7000	25	.2000
11	.6666	26	.1666
12	.6333	27	.1333
13	.6000	28	.1000
14	.5666	29	.0666
15	.5333	30 and 31	.0333

## 10:82-2.2 (continued)

- (b) In determining the amount of the initial grant, the appropriate disregards shall be applied to earned income (see N.J.A.C. 10:82-4.2 through 4.9).
- (c) The effective date of the initial grant shall be the date of the application if the client was eligible on that date. If the client was found eligible on any other date, the initial grant shall be retroactive to the date eligibility commenced.

10:82-2.3 Noneligible persons in the household

- (a) When a noneligible individual is living in the household of an eligible unit, an amount of \$96.00 per month shall be recognized as the cost standard for that individual's share of household expenses. Only the cash amount which is over and above \$96.00 shall be considered as income to the eligible unit, except for the income of a natural or adoptive parent who is living with his/her eligible children but is not a member of the eligible unit.
- (b) When the natural or adoptive parent is not included in the eligible unit and has earned or unearned income of his/her own, such income, less the parent's per capita share of the allowance standard for the eligible unit with the parent included, shall be applied to the needs of the eligible children, except when such parent is an SSI recipient.
  - 1. For earned income, the net amount to be considered available to the eligible unit shall be determined by deducting only the first \$75.00 (\$50.00 for part-time employment) of such income and the actual expenses of child care or care for an incapacitated individual that does not exceed \$160.00 (\$110.00 for part-time employment) per child or individual.

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT10:82-2.4 Penalty of ineligibility

When a member of an eligible unit has incurred a penalty of ineligibility for money payment, such individual cannot be included in the eligible unit and his/her needs shall not be taken into account in determining the family's need for assistance. (See N.J.A.C. 10:82-2.4(b) regarding income of a noneligible parent and N.J.A.C. 10:81-C.13(a)2.)

10:82-2.5 Needs of certain children temporarily in the home

(a) When an otherwise eligible child, ordinarily maintained by an agency other than the CWA, is temporarily in the home of an eligible unit for seven or more consecutive days, the needs of such child shall be computed in the following manner:

1. Determine the difference between the monthly grant when the child is not present and the monthly grant including the child in the eligible unit;
2. Prorate the difference on a per diem basis (for example, divide by the number 30);
3. Multiply this amount by the number of days the child is in the home;
4. Issue the total amount in addition to the regular monthly grant.

(b) When an institutionalized child is on temporary visit home (and an AFDC eligible case is not in existence), he/she may be eligible for General Assistance if the visit does not exceed 21 consecutive days. In such instances the CWA shall refer the child to the appropriate MWD. If the length of such child's visit is expected to exceed 21 days, the CWA shall process the AFDC application and evaluate the family's eligibility for AFDC for the duration of the visit.

10:82-2.6 Initial eligibility

On all new applications, reapplications, or reopened applications initial financial eligibility must be established before a determination of the amount of the monthly grant can be made. (For -II segment cases, see N.J.A.C. 10:82-2.11.) For AFDC-C and -F cases, the earned income disregards (see N.J.A.C. 10:82-2.3) apply, except that the disregard of the first \$30.00 of the remaining income plus one-third of the remainder does not apply. If total income equals or exceeds the public assistance allowance, the family is ineligible for assistance.

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT10:82-2.7 Initial eligibility: AFDC-C and -F procedures

(a) The procedures regarding maximum income eligibility are:

1. Identify the number of persons in the eligible unit;
2. Determine the total monthly income (including gross earned income) available to the eligible unit and compare it to the maximum income level in N.J.A.C. 10:82-1.2(d). If total income equals or is less than the maximum for the appropriate eligible unit size, maximum income eligibility has been established and the grant amount shall be determined in accordance with N.J.A.C. 10:82-2.9. If total income exceeds the appropriate maximum for any month, the family is not eligible for assistance.

10:82-2.8 Determination of calculated earned income: AFDC-C and -F procedures

(a) From the total gross earnings of each person in the AFDC-C and -F segments, deduct the cost of producing income if self-employed (see N.J.A.C. 10:82-4.3) and proceed as follows:

1. From gross earnings deduct the first \$75.00 (\$50.00 for part-time employment) of such earnings for each employed individual in the eligible unit.
2. Deduct an amount equal to the expenditures for child care or for care of an incapacitated individual living in the same home as the AFDC-C or -F eligible unit. In no event shall this deduction exceed the limits provided for in N.J.A.C. 10:82-5.3 or \$160.00 (\$110.00 for part-time employment) per month for each AFDC recipient requiring such care.
3. For a period of not longer than four consecutive months, deduct the first \$30.00 of the remaining earned income plus one-third of the remainder for each employed individual in the eligible unit.
  1. This deduction shall cease after a period of four consecutive months and shall not be applied again so long as the wage earner is a recipient of AFDC-C and -F benefits. This deduction will again be applied after the original four consecutive month period only after the wage earner has not been a recipient of AFDC-C or -F benefits for a period of 12 consecutive months. (See also N.J.A.C. 10:82-4.4.)
4. Part-time employment shall be defined as employment of less than 120 hours per month.

10:82-2.9 Stepparents: AFDC-C procedures

- (a) When a stepparent of eligible AFDC-C children is in fact a member of the household, the natural or adoptive parent who is applying for or receiving assistance shall be afforded the following elective options:
1. The stepparent may be included as a member of the eligible unit, with all needs recognized and his/her income considered in determining the adjusted allowance and the amount of the grant, in accordance with all regulations in this manual.
  2. The stepparent may not be included in the eligible unit, in which case the income of the stepparent shall be treated in accordance with (d) below.
- (b) The options and all consequences thereof, including financial and medical needs, shall be fully discussed with the client before the decision is made. The decision as to whether the stepparent shall be included (assuming the stepparent is so willing) or excluded shall be made by natural or adoptive parent.
- (c) When the stepparent is not included in the eligible unit, the eligible unit shall consist of the natural or adoptive parent and the eligible children.
1. The parent of the eligible children shall sign the application for assistance and fulfill all obligations contained therein.
  2. The grant for the eligible unit shall be the appropriate allowance standard on Schedule I less any income to the eligible unit including the countable income of the stepparent as determined in (d) below.
- (d) When a stepparent of eligible AFDC-C children lives in the same home as the children and is not included as a member of the eligible unit, his or her income shall be considered available to the eligible unit in accordance with the following procedures.
1. Reduce the stepparent's gross earned income (and net income from self-employment) by \$75.00 (\$50.00 for part-time employment).
  2. Add the result to the stepparent's unearned income.
  3. Further reduce the remaining income by the appropriate amount in Schedule I (N.J.A.C. 10:82-1.2) for the stepparent and any other individuals residing in the household who are or could be claimed by the stepparent as dependents for Federal personal income tax liability and who are not recipients of AFDC-C or -E.

10:82-2.9(d) (continued)

4. The remaining income shall be further reduced by amounts paid by the stepparent to individuals not living in the household who are or could be claimed by him or her as dependents for purposes of determining his or her Federal personal income tax liability.
5. Any income remaining shall be reduced by any amounts paid by the stepparent as alimony or child support to individuals not living in the household.
6. All income remaining shall be counted as unearned income available to the eligible unit and shall be counted toward total income (N.J.A.C. 10:82-1.2(d)) and in the determination of grant amount.

10:82-2.10 Medicaid eligibility; AFDC-C and -F procedures

- (a) AFDC-C and -F parents who refuse to register or accept employment under the WIN program are not entitled to Medicaid.
- (b) Children 16 to 18 years old who would be eligible for AFDC-C or -F except that they are not attending school and are not exempt from WIN, but who refuse to register or accept employment under the WIN program, will continue to be eligible for Medicaid so long as there are other children in the family eligible for AFDC-C or -F. Such 16 to 18 year olds are not included in the eligible unit and will be listed as "Categorically Related" on Form PA-3A.
- (c) A child not meeting AFDC age requirements may be eligible for Medicaid if he or she would be otherwise eligible for AFDC-C or -F (see N.J.A.C. 10:81-8.22 through 8.25).

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT10:82-2.11 Initial eligibility; AFDC-N procedures(a) Initial eligibility rules are:

1. Identify the number of persons in the eligible unit;
2. Use Schedule II to determine the appropriate public assistance allowance;
3. Identify all income as in N.J.A.C. 10:82-2.1(b)4i. To establish amount of calculated earned income, determine gross earned income and deduct the first \$60.00 for each employed person, provided, however, that each such person earns a minimum of \$60.00. If earnings of any individual are less than \$60.00, disregard such earnings. This initial disregard only shall be deducted in determining the calculated earned income for initial eligibility, unless N.J.A.C. 10:82-4.5(c) is applicable;
4. When there is an adjusted allowance of any amount, eligibility is established. Determination of the amount of monthly grant must then be made in accordance with section 1 of this subchapter.
5. When total income as computed in paragraph 3 above equals or exceeds the public assistance allowance, the family is not eligible for assistance.

10:82-2.12 Determination of calculated earned income AFDC-N procedures

- (a) From the total gross earnings of all persons in the AFDC-N segment, deduct cost of producing income if self-employed (N.J.A.C. 10:82-4.3), and proceed as follows:
  1. From the gross earnings of each employed person, deduct the first \$60.00 as the initial disregard;
  2. Deduct one-third of the amount remaining;
  3. The remainder shall be entered on Form PA-3A as calculated earned income.
- (b) Deductions from earned income for any purpose other than those identified in this section shall not be recognized.

10:82-2.13 Companion cases

- (a) An eligible unit may include some members eligible for AFDC-C and others eligible for AFDC-F or AFDC-N. These combinations are called companion cases.
- (b) A single PA-3A form is prepared for the total eligible unit, including all members of each segment. The PA-3A form will show a common case number.
  1. In Part I of the PA-3A, the appropriate segment is checked for each eligible individual. The number of adults and children eligible for each segment is recorded in the "Recipient Count" box in the upper right hand corner of the form.
- (c) The public assistance allowance for each segment shall be the per capita of the standard for the total eligible unit on Schedule I or II, as appropriate, multiplied by the number of persons in that segment.
  1. For companion cases of two to 10 eligible members, the Per Capita Table on the following page provides pre-calculated per capita amounts. Under the appropriate Number in Segment, identify the allowance which corresponds to the number in the total eligible unit. Enter these amounts in Part I of the PA-3A form.
- (d) When there is no income, earned or unearned, to any member of the eligible unit, the total allowance shall represent the monthly grant for the eligible unit.
- (e) When any member of the eligible unit has income, earned or unearned, proceed as follows:
  1. Compute calculated earned income according to the procedure in N.J.A.C. 10:82-2.8 or 2.12. When parents are not married to each other and both are employed, both methods with appropriate disregards shall be used. Enter the total amount of calculated earned income(s) in Part II of the PA-3A form;
  2. All unearned income shall likewise be entered on the PA-3A form;
  3. Deduct the total income from the total allowance to determine the adjusted allowance (and grant) for the eligible unit.

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT

Per Capita Table for Companion Cases

Total, Eligible Unit	Number in -C or -F Segment								
	1	2	3	4	5	6	7	8	9
2	137								
3	120	240							
4	104	207	311						
5	94	187	281	374					
6	87	174	261	348	435				
7	82	165	247	329	411	494			
8	79	158	236	315	394	473	551		
9	76	152	228	304	380	456	532	608	
10	74	148	221	295	369	443	517	590	664

Total, Eligible Unit	Number in -N Segment								
	1	2	3	4	5	6	7	8	9
2	91								
3	80	160							
4	69	138	207						
5	62	125	187	250					
6	58	116	174	232	290				
7	55	110	165	219	274	329			
8	53	105	158	210	263	315	368		
9	51	101	152	203	253	304	355	405	
10	49	98	148	197	246	295	344	394	443

10:82-2.13 (continued)

(f) The Maximum Income Level: Per Capita Tables below shall be used to determine AFDC income eligibility for companion cases of two to 10 members. For cases of more than 10 members the maximum income level shall be the per capita of the standard for the total eligible unit on Schedule III, N.J.A.C. 10:82-1.2, multiplied by the number of members in that segment.

Maximum Income Level - Per Capita Table  
Number in -C or -F Segment

Total Eligible Unit	1	2	3	4	5	6	7	8	9
2	205								
3	180	360							
4	155	311	466						
5	140	231	421	562					
6	131	261	392	522	653				
7	123	247	370	494	617	741			
8	118	236	354	473	591	709	827		
9	114	228	342	456	570	684	798	912	
10	111	221	332	443	554	664	775	886	996

Number in -M Segment

Total Eligible Unit	1	2	3	4	5	6	7	8	9
2	137								
3	120	240							
4	104	207	311						
5	94	187	281	374					
6	87	174	261	348	435				
7	82	165	247	329	411	494			
8	79	158	236	315	394	473	551		
9	76	152	228	304	380	456	532	603	
10	74	148	221	295	369	443	517	590	664

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT10:82-2.14 Establishing monthly earnings

- (a) The procedures in this section apply in the determination of earned income for the purposes of establishing the amount of assistance grant with the exception of initial grants (see N.J.A.C. 10:82-2.3).
- (b) Conversion to monthly amounts: The procedures for determining calculated earned income (CEI) in N.J.A.C. 10:82-2.3 and 2.12 are based on monthly gross earnings. Earnings received other than monthly amounts must be converted to monthly amounts to determine CEI. For instance, weekly gross earnings shall be multiplied by  $4 \frac{1}{3}$  or 4.333 and biweekly amounts shall be multiplied by  $2 \frac{1}{6}$  or 2.167. (Note: The Conversion Tables in the Appendix may be used to convert weekly gross earnings to monthly amounts and to calculate disregards.)
- (c) Earnings projection: When due to new or changed earnings, the client is unable to provide the four consecutive weeks verification required in (d) below, 7 calendar days prior to the CODES cutoff date, the CWA shall compute the following month's CEI on an earnings projection. In developing the earnings projection the CWA shall use all actual wage information available 7 calendar days prior to the CODES cutoff date together with the client's estimate of ongoing wages and/or hours. The earnings projection and the information used to determine it shall be fully documented in the case record. The earnings projection shall be used to determine the AFDC grant only until sufficient earnings verification is available to base the earnings on actual verification of four consecutive weeks as required in (d) below.

Example: The client receives his/her first pay check on the 11th of the month for 20 hours of employment. The client states that he/she will be working 40 hours a week at the same hourly wage rate. The earnings projection will be based on 40 hours a week.

1. When an earnings projection is used, the client must be advised that the required wage verification must be supplied or the next month's grant will be suspended.
  2. In the event subsequent verification reveals that the client has been underpaid because of the use of an earnings projection, the underpayment shall be corrected in accordance with N.J.A.C. 10:82-2.19.
- (d) Required evidence of earnings: Except for the period of time a case is subject to an earnings projection, monthly gross earnings shall be determined by obtaining wage verification for any consecutive four week period within the five weeks before and the five weeks following the date the client signs the Form PA-1J or reports a change in earnings. This policy applies also at redetermination when a new PA-1J is signed. The evidence used to verify the earnings and the dates thereof shall be fully documented in the case record.

## 10:82-2.14 (continued)

- (e) Contract earnings: Earnings payable under the terms of a renewable contract, e.g., earnings of school teachers, are to be prorated over the stated term of the contract only.

10:82-2.15 Verification of earnings

Earnings may be verified from voucher records or statements in writing submitted by the employed person, subject to additional verification as required by regulations in the Public Assistance Manual.

10:82-2.16 Earnings as lump sum payment

When a member of the eligible unit receives a lump sum payment for services rendered over a period of more than a month, any disregard of earned income is to be computed for each month in which such income was earned.

10:82-2.17 Income legally designated for a specific individual

- (a) Monies legally designated for the exclusive use and benefit of a specific individual in the eligible unit, currently identified as only Social Security benefits received on behalf of a child or court ordered support payments, shall normally be recognized as income to that individual only.
- (b) Such child has the following options, the advantages and disadvantages of which should be thoroughly discussed with his/her parent(s), and the parent's decision accepted. The parent may choose that:
1. The child be included as a member of the eligible unit, with all income recognized as income to the eligible unit and with eligibility for Medicaid; or
  2. The child be excluded from the eligible unit. Under this option, he/she is not eligible for either assistance or Medicaid. However, this child must be considered as an LRR to his/her parent(s).

10:82-2.18 (Reserved) □

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT10:32-2.19 Overpayments and underpayments

(a) Upon discovery of an overpayment, the CWA shall take action as outlined in (a) of this section. The CWA shall seek recovery of all overpayments regardless of fault including overpayments caused by administrative action or inaction.

1. Determine the amount of the overpayment:

i. The amount of overpayment shall be the amount of assistance received during the period of overpayment less the amount of assistance which should have been received.

(1) In the case of an overpayment caused by the client's failure without good cause to report earned income on a timely basis the amount of the overpayment shall be calculated without benefit of the earned income disregards. (See also N.J.A.C. 10:32-4.4.)

(2) If an eligible unit is overpaid for which the CWA receives CSE collections, only that amount of assistance paid in excess of support payments received during the period of overpayment shall be considered for overpayment collection.

2. Immediately upon discovery of an overpayment, the CWA shall inform the client in writing of the incorrect payment(s), the amount of overpayment and what corrective actions will be taken.

3. In the circumstances of an overpayment to an eligible unit which is currently receiving assistance, the amount may be repaid by the eligible unit or the grant shall be reduced by an amount which is equal to 10 percent of the appropriate allowance standard for the family size. The AFDC grant shall be reduced by this amount until such time as the full amount of the overpayment is recovered. If the grant is reduced to zero because of recovery, the eligible unit will continue to be considered in receipt of AFDC benefits. If the amount payable because of recovery is less than \$10.00, the AFDC check shall be issued in that lesser amount.

i. When, in the judgement of the CWA, recovery at the 10 percent rate would create undue hardship, that is, recovery at that rate would be detrimental to the well-being of the dependent child(ren), the CWA may establish recovery at a lesser rate, but not below a minimum rate of five percent. The determination of hardship shall be made on a case by case basis and may include, but is not limited to, a CWA determination that the family has extraordinary essential needs which cannot be met if recovery is made at the maximum rate.

## PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT

10:82-2.19(a) (continued)

4. If an adult eligible unit member responsible for an overpayment is no longer eligible or becomes a member of another assistance unit, recovery shall be sought from that individual. When two adults are responsible for an overpayment and one or both are no longer eligible, a proportionate share of the overpayment shall be assigned to each individual and recovery sought. In the event that a dependent child is responsible for the overpayment, recovery shall be sought from all members of the eligible unit.
  5. For cases of overpayment caused by administrative error, recovery shall be sought from all members of the eligible unit.
  6. Overpayments to an eligible unit which is no longer receiving AFDC, shall be recovered by the CWA through a court of appropriate jurisdiction.
  7. The CWA must take one of the following three actions by the end of the quarter following the quarter in which the overpayment is first identified:
    - i. Recover the overpayment;
    - ii. Initiate action to locate and/or recover the overpayment from a former recipient; or
    - iii. Execute a monthly recovery agreement from a current recipient's grant or income/resources.
  8. In locating former recipients who have outstanding overpayments, the CWA shall use appropriate data sources such as unemployment insurance files, the Division of Taxation, the Department of Motor Vehicles, Bendex, and other sources relating to former recipients.
  9. For overpayments occurring prior to October 1, 1981, the CWA shall recover only if the overpayment resulted from willful withholding of information by the recipient.
- (b) Upon discovery of an underpayment, the CWA shall determine the amount underpaid and proceed as follows:
1. When underpayment was due to failure of a member of the eligible unit to provide appropriate information, the next regular payment shall reflect the corrected grant for that payment period and the amount necessary to correct the payment for the period immediately preceding.

PROCEDURES FOR DETERMINING AMOUNT OF MONTHLY GRANT

10:82-2.19(b) (continued)

2. When underpayment was due exclusively to administrative error by the agency, corrective payment shall be made retroactively to that month, within the 12 months immediately preceding the discovery of the underpayment, in which the administrative error first occurred. Corrective payment resulting from a fair hearing decision shall be retroactive to the date the incorrect action was taken.
  - i. Such retroactive adjustment shall be made as an additional payment as promptly as possible but in no event later than the time of the next regular payment.
  - ii. For purposes of determining continuing eligibility or the amount of assistance, retroactive corrective payments shall not be considered as income or resource to the eligible unit either in the month paid or in the following month(s).
- (c) No adjustments in the grant other than those recognized in this section are authorized to account for the overpayment or underpayment.
- (d) Review of circumstances in overpayments: In all situations of overpayments, the facts and circumstances in each case shall be evaluated and, where indicated, action taken as appropriate in accordance with regulations pertaining to fraudulent receipt of assistance (N.J.A.C. 10:81-7.40 through 7.45, and 7.47). □

10:82-2.20 Change in need while assistance is being received

- (a) A change in the circumstances of the eligible unit may result in an adjustment upward or downward in the amount of the assistance payment. Unless (b) below applies, the adjustment must be effective no later than the first day of the second month following the month the change in circumstance occurred. Downward adjustments are subject to timely and adequate notice, in accordance with N.J.A.C. 10:81-7.1 through 7.6.

Example: A client's income increases during January. The county welfare agency must complete necessary verification and all administrative procedures, including the mailing of the appropriate adverse action notice, during February to ensure that the change is reflected in the March grant.

- (b) Under certain situations which, in the judgement of the county welfare agency, would otherwise result in undue hardship to the eligible unit, an additional payment(s) supplementing the last regular payment shall be issued during the current payment period for any of the following reasons only:
1. Administrative error;
  2. Emergency Assistance (see N.J.A.C. 10:82-5.10);
  3. Immediate and unanticipated reduction of income (for example, loss of employment, contributions from legally responsible relatives, Social Security or other benefits); or
  4. A new member added to the eligible unit.
- (c) Any additional payments to an eligible unit due to a change in family circumstances are subject to proration (see N.J.A.C. 10:82-2.2) based on the date of such change.

## RESOURCES

## 10:82-3.13 Deeming of sponsor's income and resources to a sponsored alien

- (a) The income and resources of an alien's sponsor shall be deemed to be unearned income and resources of an alien applying for AFDC for the first time after September 30, 1981 for a period of three years following the alien's entry into the United States. For purposes of this section, a sponsor is an individual (not an organization) who executed an affidavit of support or similar agreement on behalf of an alien (who is not the sponsor's dependent child or spouse) as a condition of the alien's entry into the United States. No income or resources shall be deemed from a sponsor who is (or whose spouse is) receiving AFDC or SSI.
1. These deeming provisions do not apply to any alien who is:
    - i. Admitted as a conditional entrant refugee to the United States as a result of the application of the provision of section 203(a)(7) of the Immigration and Nationality Act;
    - ii. Admitted as a refugee to the United States as a result of the application of the provisions of section 207(c) of the Immigration and Nationality Act;
    - iii. Paroled into the United States as a refugee under section 212(d)(5) of the Immigration and Nationality Act;
    - iv. Granted political asylum by the Attorney General under section 212(d)(5) of the Immigration and Nationality Act; or
    - v. A Cuban or Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act of 1980 (Public Law 96-422).
- (b) The amount of income of a sponsor which shall be deemed to be the unearned income of an alien shall be determined as follows:
1. The sponsor's total monthly wages, salaries, and net earnings from self-employment (and that of his or her spouse if living with the sponsor) shall be reduced by 20 percent (not to exceed \$175.00).
  2. The amount determined in (b)1 above shall be added to the unearned income of the sponsor (and that of his/her spouse if living with the sponsor).
  3. The amount determined in (b)2 above shall be reduced by the following:
    - i. The appropriate amount in Schedule I (N.J.A.C. 10:82-1.2) for the sponsor, spouse, and other persons residing in his or her household who are or could be claimed by the sponsor as dependents for determination of Federal personal income tax liability and who are not recipients of AFDC-C or -E;

## RESOURCES

10:32-3.13(b)3 (continued)

- ii. Any amounts actually paid by the sponsor or sponsor's spouse to people not living in the household who are or could be claimed by them as dependents to determine their Federal personal income tax liability; and
  - iii. Actual payments of alimony or child support with respect to individuals not in the household.
4. The remaining amount shall be deemed to the alien and shall be counted as unearned income in the determination of eligibility and grant amount.
- (c) The amount of resources of the sponsor (and of the sponsor's spouse if living with the sponsor) shall be determined in accordance with the provisions of this subchapter excepting N.J.A.C. 10:32-3.10 through 3.12. The value of the sponsor's resources shall be reduced by \$1,500.00 and remaining amount shall be deemed available to the alien and counted in the determination of eligibility and payment level.
  - (d) In any case where a person is the sponsor of two or more aliens, the income and resources of the sponsor (and the sponsor's spouse if living with the sponsor), to the extent the income and resources would be deemed to any one of the aliens under the provisions of this section shall be equally divided among the sponsored aliens.
  - (e) The sponsored alien shall provide the CWA with any information and documentation necessary to determine the income and resources of the sponsor and the sponsor's spouse that can be deemed available to the alien, and obtain any cooperation necessary from the sponsor.
  - (f) Income and resources which are deemed to an alien shall not be considered in determining the need of other unsponsored members of the alien's family except to the extent the income and resources are actually available.
  - (g) Any sponsor of an alien and the alien shall be jointly and severally liable for any overpayment of AFDC made to the alien during the three years after the alien's entry into the United States that was caused by the sponsor's failure to provide correct information under the provisions of this section, except where the sponsor was without fault or where good cause existed.
1. Any overpayments described above which are not repaid to the CWA or recovered in accordance with the provisions of N.J.A.C. 10:32-2.19 shall be withheld from any future payments to which the alien or sponsor is entitled under:

10:32-3.13(g)1 (continued)

- i. Any state administered program established under the Social Security Act; or
- ii. Any cash benefit program administered by the Social Security Administration and established by the Social Security Act.

300. RESOURCES

301. State and federal laws require that the agency consider all income and resources of the eligible unit in determining the amount of assistance to be granted. Available resources include cash and other forms of income immediately obtainable to meet the needs of the eligible unit. These are considered in Chapter 400, INCOME.
302. Resources as recognized in this chapter are either exempt or potential. They are defined as real or personal property which is within the control of one or more members of the eligible unit, or to which the member(s) may have a valid claim, and certain benefits and other contributions of support which may become available.

310. EXEMPT RESOURCES

Exempt resources are not subject to any requirement for liquidation and are not considered in determining the assistance grant. When any resource is not or is no longer exempt, it shall be considered as either available income or a potential resource, according to its nature. (See Chapter 400 regarding Income.)

311. The exempt resources are:

- 311.1 Real property owned by the eligible unit and used as a home by the eligible unit, together with so much of the land on which the house stands as is reasonably necessary for the maintenance of the house. The property may remain in exempt status during temporary absence of the entire family for a period up to 4 months, at which time the agency shall review the status and if so indicated, may allow it to remain in exempt status for an additional 4 months. Continued absence through the entire 8 months shall be deemed to be permanent and the property shall be removed from exempt status.

- 311.2 Personal property which is used or likely to be used:
- a. House furnishings and clothing in regular use. Furnishings and clothing in storage may be deemed to be exempt in the presence of a reasonable plan for their use.
  - b. Personal effects if regularly used or of small intrinsic value. Items of exceptional value not regularly used and not essential to the physical health and safety of the eligible unit are not exempt.
- 311.3 Automobile, when at least one of the following conditions exists:
- a. the automobile would, if sold, produce less than \$500 net revenue to the eligible unit; or
  - b. no other transportation is available; or
  - c. illness or infirmity of a member of the eligible unit prevents use of other transportation; or
  - d. an automobile is necessary to obtain or retain employment or is essential as an incentive to self-help.
- 311.4 Life Insurance Policies and Burial Plots
- 311.5 Livestock, machinery, tools, equipment, and stock-in-trade which serve to produce some net income in cash or in kind or serve as an incentive for self-help. Livestock or property owned or used by a child in connection with a group or school activity (such as 4-H) is also exempt.
- 311.6 Any asset, real or personal, the liquidation of which would produce no net revenue to the eligible unit.
- 311.7 Resources designated for special purposes as follows:
- a. Relocation adjustment payments which are made pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) by public agencies and area development agencies engaged in urban renewal or by housing development projects.

10:82-3.2(b)7. (continued)

ii. Highway relocation assistance: Any Highway Relocation Assistance paid under the Federal-Aid Highway Act of 1968.

iii. Excess value of food stamps: For any household participating in the Food Stamp Program of the U.S. Department of Agriculture, the value of the coupon allotment. □

iv. In AFDC, incentive payment from participation in certain training programs:

(1) A monthly incentive payment of an amount not to exceed \$30.00 and work related training expenses paid to recipients of AFDC who are participants in WIN training programs by the New Jersey Department of Labor and Industry, Division of Employment Security.

(2) A weekly allowance of \$30.00 paid to recipients of AFDC who are participants in CETA training programs.

v. Supplemental aid by other agencies or organizations, whether public or private, provided that:

(1) there is no duplication between such aid and the public assistance grant; and

(2) such aid is for a special purpose not within the function of the public assistance agency (for example, vocational rehabilitation).

vi. Savings: Those funds set aside by an eligible unit which is in fact receiving public assistance so long as the amount thus accumulated does not exceed the total of three months' public assistance allowance standard for that eligible unit.

## RESOURCES

10:82-3.2(b)7. (continued)

- vii. Subsidization of adoption: Any income received through the Subsidized Adoption Program of the Division of Youth and Family Services pursuant to N.J.S.A. 30:4C - 45 thru 49 (P.L. 1973C.81).
- viii. Certain other Federal programs: Funds received by applicants and recipients through certain Federal programs (see below) shall be regarded as exempt resources in determining eligibility and the amount of assistance allowances.
  - (1) Funds distributed or held in trust for members of any Indian Tribe under Public Law 92-254 or 93-134.
  - (2) Funds which are tax-exempt portions of payments made pursuant to Public Law 92-203, the Alaska Native Claims Settlement Act.
  - (3) Benefits or assistance received through the WIC program (Special Supplemental Food Program for Women, Infants and Children) and the special food services program for children under the National School Lunch Act as amended by Public Laws 92-433 and 93-150.
  - (4) Benefits received under Title VII, Nutrition Program for the Elderly, of the Older Americans Act of 1965.
  - (5) Payments made through Service Corps of Retired Executives (SCORE), Active Corps of Executives (ACE), and payments made under Title I of P.L. 93-113 (e.g., Volunteers in Service to America (VISTA)).
  - (6) Payments received under the Experimental Housing Assistance Program (EHAP) made under Annual Contributions Contracts entered into prior to January 1, 1975 under Section 23 of the U. S. Housing Act of 1937.
  - (7) Payments made through the U.S. Department of Housing and Urban Development (HUD) Section 8, Rental Assistance Program (RAP), which provides funds to certain handicapped individuals and low income families to assist them in meeting shelter costs.
  - (8) HUD community development block grant funds under Title I of the Housing and Community Development Act of 1974.

311.8 Occasional gifts and contributions of nominal amount or value, such as those received on birthdays, Christmas or other holidays. A gift received by an applicant or recipient has exempt status only during the month in which it is received and the calendar month immediately following. Thereafter, it becomes a resource but may continue to be exempt if Section 311.7f. is applicable. □

311.9 Loans

a. Loans for Specific Purposes

1) Loans and grants which are not to be used to meet current living costs and which are held and used in accordance with the conditions of the loan are exempt.

(a) Examples are: loans made by the Farmers Home Administration, U.S. Department of Agriculture, under Title III of the Economic Opportunity Act, and loans made by the Farmers Home Administration under provisions in Title V of the Housing Act of 1949, as amended.

2) Loans or grants to any undergraduate student for education purposes made or ensured under any program administered by the Commissioner of Education, U.S. Department of Health, Education and Welfare and other educational grants and scholarships are exempt in accordance with Section 125.

b. Personal Loans

Personal loans are exempt when such loans are evidenced by a document, signed by the client and the lender, which states the amount of the loan and terms of repayment.

311.10 Certain Lump Sum Proceeds - At the discretion of the county welfare agency, up to \$200 of lump sum proceeds resulting from settlement of claims based on accidents or negligence in order to cover expenses incurred as a direct result of the incident for which the settlement is made. Such exemption shall be recorded in the case file. Unless applied to this exemption, all funds so received are subject to reimbursement to the CWA in accordance with Section 324.4. Neither the exemption of \$200 nor the remainder of funds, if any, shall be applied to savings.

311.11 Value of Home Produce - Farm and garden products raised by the eligible unit for its own use.

320. POTENTIAL RESOURCES

Potential resources are resources which are neither exempt nor currently available for expendable use.

321. Principles Affecting Potential Resources

321.1 Liquidation or conversion of potential resources shall be undertaken and completed as promptly as the nature of the resource and the circumstances permit. Such liquidation or conversion to an expendable form creates available income as defined in Section 401, and the agency shall take prompt and appropriate action to redetermine eligibility or adjust the payment as indicated.

321.2 If a member of an eligible unit willfully fails or refuses, within a period of 30 days after being requested in writing, to consent to or to take any action necessary in connection with a plan for liquidation, such individual shall be ineligible for assistance.

322. Responsibilities Regarding Potential Resources

322.1 The county welfare agency shall:

- a. inform the member(s) of the eligible unit at the time of application or as promptly thereafter as possible that all potential resources must be liquidated;
- b. develop with the member(s) of the eligible unit a plan for the liquidation of resources and for the use of the proceeds; and
- c. assist in carrying out the plan.

322.2 Members of the eligible unit shall:

- a. develop with the agency a plan for the liquidation of resources and for the use of the proceeds; and
- b. consent to and cooperate in carrying out the plan.

323. Liquidation of Real Property

323.1 The eligible unit shall be required to offer real property, other than that which is exempt, for sale at an asking price named by the unit but not lower than the price set by an independent appraisal paid for by the CWA.

323.2 The eligible unit shall be required to sell such property within a period of six months at the highest offer, provided such offer is not less than the independent appraisal.

- 323.3 Whenever the eligible unit presents evidence that such property cannot be sold, or that all efforts have failed to provide a buyer who is willing to buy the property at the appraisal price, the property must be reevaluated.
- 323.4 If the eligible unit has used reasonable diligence in seeking a purchaser and is unable to sell the property at any price, such property may be evaluated as having no present substantive value, pending any change which might give value to the property.
- 323.5 If encumbrances against the property, plus the cost of sale, equal or exceed the price at which it can be sold, the property need not be considered as a potential resource.

324. Liquidation of Personal Property

Liquidation of personal property which is not exempt shall be handled in such a way as to assure the highest net revenue. The CWA and the eligible unit may use such methods as are appropriate and mutually agreeable in determining an acceptable sale price. These include but are not necessarily limited to: professional appraisal, competitive bids, and public auction.

- 324.1 Automobiles subject to liquidation shall be sold at or above the higher of two or more bids from reputable buyers.
- 324.2 Securities, stocks and bonds can usually be liquidated through reputable local brokers at market prices. The holding of such securities in the hope of a higher price is speculation and is not an appropriate activity for either the agency or its clients.
- 324.3 Mortgages, notes receivable and other less liquid securities shall be sold as quickly and advantageously as possible.

324.4 Suits and Claims. Where a member of the eligible unit is, at time of application, or subsequently becomes the owner of an interest in a suit or claim arising out of an accident, inheritance or legacy, insurance on the lives of relatives or others, statutory benefits or pensions, unfulfilled contracts or obligations, etc., such interests constitute personal property and are potential resources which must be recognized.

- a. Where assistance is extended during the period that the receipt or liquidation of such interest is pending, an agreement shall be made whereby the eligible unit will, when liquidation occurs, repay the agency the amount of assistance granted since the incident or claim occurred, or the amount received as the result of the claim, whichever is less. (See PAM 3951(b)(1) for determination of amount of assistance granted.)

The following are not subject to repayment to the CWA: Retroactive Social Security payments, SSI payments (except as indicated in PAM Sections 2532.4, 3214.2a., 3942.3, and 3960), Veteran's benefits, Workers' Compensation and Temporary Disability benefits.

- b. See also Section 442 regarding irregular or nonrecurring income.

RESOURCES

10:82-3.8 Relatives as a resource

- (a) The following table indicates the legally responsible relatives (LRRs) in each program to whom the policies and standards in this section apply:

Legally responsible relative	Program	
	AFDC	MA
Spouse	X	X
Child under age 55	X	
Any parent of a child under 18 or of a child over age 18 who is not an AFDC parent or parent-person	X	X

10:82-3.9 Available support

- (a) The agency shall determine what contributions, and whether in cash or in kind, the relative is currently contributing or is willing to contribute toward the support of the eligible unit.
1. Only the amount of support, whether in cash or in kind, actually being received by the eligible unit shall be considered as available income.
  2. When an LRR fails to make available to the eligible unit the amount of the contribution for support as determined by the following methods, such support shall then be considered as a potential resource.
- (b) It shall be recognized that a person's obligation to support those relatives for whom he/she is legally responsible takes precedence over any voluntary preference on his/her part to support relatives or other persons for whom he/she is not legally responsible, except as provided in N.J.A.C. 10:82-3.11(b)3.
1. Responsibility of a person for the support of his/her own minor children takes priority over any obligations to contribute to support of any other dependent relatives.

## 10:82-3.9 (continued)

- (c) When a relative is legally responsible for all members of an eligible unit, this LRR's financial capacity to support shall be considered as a resource to the eligible unit as a whole.
1. When a relative is legally responsible for one or more, but not all member(s) of the eligible unit, the LRR's obligation to support in relation to need shall be the per capita share of the eligible unit's adjusted allowance for those persons for whom he/she is legally responsible.
  2. When a relative is legally responsible for two or more persons who are not members of the same eligible unit, his/her capacity to support may be allocated according to the relative's wishes provided that the amount allocated to any one individual does not exceed that individual's share of the adjusted allowance.
- (d) The eligible unit ceases to be eligible for assistance when the amount of the LRR's evaluated capacity to support equals or exceeds its adjusted allowance and this support is actually available to the eligible unit.
1. The amount of the LRR's contribution shall be recognized only when there is affirmative evidence that such amount or its equivalent in goods or services is in fact available to members of the eligible unit.
  2. When an LRR fails or refuses to make available to the eligible unit all or any portion of his/her contribution, and this has been verified, such amount shall not be entered as income on the PA-3A form. (See N.J.A.C. 10:81-3.35(f)2 for agency action in such case.)
- (e) Where it is determined that an LRR does not have a capacity to contribute to support, any cash contribution which he/she voluntarily makes on a regular basis is recognized as unearned income. (See also N.J.A.C. 10:82-4.13(c).)

333. Evaluating LRR's Capacity to Support333.1 Monthly Income as Base

The LRR's capacity to support shall be based on his/her total gross monthly income, including all income of whatever kind and from whatever source except as stated in Sections 333.3 and 333.4.

333.2 Income Determination

- a. Gross income means income before deductions, or the net profit from a business, farm or profession before income and other personal taxes are deducted. "Net profit" is the total revenue less the cost of producing the revenue. Business deductions which are allowable for income tax purposes may be recognized as expenses of producing this revenue.
- b. The average income for the most recent period of 4 months may be accepted as satisfactory evidence of the average for the last year, but the income record for the entire 12 month period may be considered if the individual so requests and makes the necessary information available.
- c. Income in the Form of Maintenance

When an LRR is receiving food or lodging or both as part of his/her income, the total gross income shall be determined as follows:

The gross cash payment plus the monetary value of the maintenance received as used by the employer for tax purposes (the employer's monetary evaluation for payment of Social Security and withholding taxes).

- d. Roomer-boarder in LRR's Home

If an LRR has either related or unrelated roomer-boarders living in the home, the method as outlined in Section 204 or 412 shall be used to determine the net income to the LRR from such roomers or roomer-boarders.

- e. LRR in the Home of the Eligible Unit

When an LRR, other than a natural or adoptive parent, is living in the home of an eligible unit and makes payment to the eligible unit toward household expenses, that portion of the payment which is over and above \$96 shall be entered on Form PA-3A as income to the eligible unit. Such payment does not otherwise affect the LRR's evaluated capacity, if any, to contribute to support.

## 333.2 Continued

## f. Emancipated Child in LRR's Home

When an LRR has an emancipated child living in the home, such child shall be considered as a roomer or roomer-boarder, and Section 204 shall be used to determine the net income to the LRR.

333.3 Special Benefits Excluded as Income

Whenever an LRR or his/her dependents are the recipients of benefits, current or accrued, which are granted for and restricted to a specific purpose in accordance with the requirements of the law or contract under which they are provided, such as education, relocation, rehabilitation, medical care, etc., such benefits shall not be included in the income of the LRR for the purpose of computing his or her evaluated capacity to support.

333.4 Extraordinary Expenses of the LRR

The following types of extraordinary expenses shall be considered in the manner specified, as affecting the LRR's capacity to contribute to the support of the eligible unit:

## a. LRR's Contribution to Persons Other than the Eligible Unit

When an LRR is supporting or making contributions to support (including judicial orders for support) of a parent, child, separated or divorced spouse who is not living in the home of the LRR, the actual amount of such contribution shall be subtracted from the LRR's gross monthly income. These persons shall not be included in the determination of the LRR's family size.

## b. Excessive Medical Expenses

Where the average monthly cost of medical, dental, etc. services exceeds the appropriate amount shown in the following schedule of medical expenses, the amount of the excess shall be subtracted from the LRR's gross monthly income:

LRR's Family Size	Monthly Medical Expenses
1	\$ 45
2	60
3	75
4	90
5	100
6 or more	110

## 333.4 continued

## c. Indebtedness Due to Catastrophic Events

When an LRR, whether before or following the determination of his/her capacity to support, is required to incur debts due to catastrophic events over which the LRR had no control (for example: fire, flood, etc.), other than medical, the verified monthly amount of payments necessary to liquidate these debts shall be subtracted from his/her gross monthly income.

- 1) Whenever an LRR has been determined not to have a capacity to support for a specified period in order to liquidate indebtedness due to catastrophic events, the agency shall re-evaluate the LRR's capacity to support at the date set for full payment of the debt.

## d. Educational Expenses

If the LRR is providing educational expenses for one or more of his/ her dependents for whom free educational facilities are not available, such expenses shall be deducted from the LRR's gross monthly income as follows:

- 1) When the individual is being maintained in the LRR's home, subtract the verified cost of tuition, fees, books and transportation, prorated on a 12 month basis.
- 2) When the individual is being maintained away from home subtract the above items plus any cost of maintenance in excess of \$1,075 per annum, prorated on a 12 month basis.

**334. Determining Amount of Support****334.1 Monthly Income Standards**

Two sets of standards provide the basis for evaluation of an LRR's capacity to contribute to the support of the eligible unit:

- a. Schedule IV-A applies to any natural or adoptive parent of eligible AFDC children who is not a member of the eligible unit (exception: when a stepparent is providing a parent's needs, see Section 213.4). The monthly income standard is derived from the applicable assistance standard plus average medical costs and the standard allowance for expenses of employment.
- b. Schedule IV-B applies to all other legally responsible relatives and is based on the U.S. Bureau of Labor Statistics' moderate standard of living.
- c. The LRR's capacity to contribute is determined as 70% of the amount of income in excess of the applicable standard, in order to allow for Federal Income and other taxes. Schedule V is used to determine the 70% figure.

**334.2 Family Size**

Family size of the LRR shall include the following persons, except those who are members of the eligible unit:

- a. the LRR and any of his/her minor children who are living with the LRR;
- b. the LRR's spouse who is living with him/her;
- c. any relative of the LRR or of his/her spouse who is and has been customarily living in LRR's home and for whom the LRR or spouse is providing at least one-half the support.

**334.3 Two Incomes**

When the LRR is married and both the LRR and his/her spouse have income, consider the LRR's income only, including in the family size only the LRR and his/her minor children (Section 334.2a).

- a. When both persons are LRRs, consider their total income and include all persons identified in Section 334.2 in the family size.

334.4 Method for Determining Capacity to Support

- a. Determine the LRR's gross monthly income, including both earned and unearned income.
- b. Deduct the verified amount of extraordinary expenses as identified in Section 333.4.
- c. Compare this adjusted income with the applicable Monthly Income Standard on Schedule IV - Part A or Part B.
- d. When the LRR's adjusted income is less than the applicable standard on the schedule, no capacity to support exists.
- e. When the LRR's adjusted income exceeds the applicable standard, 70% of the amount in excess of the standard shall be the evaluated contribution for support of the eligible unit.

To determine the LRR's contribution, find the difference between his/her adjusted income and the applicable monthly standard on Schedule IV.

On Schedule V, the 70% Table, identify the amount of difference in Column (A) and the amount of contribution in the adjoining Column (B).

- f. The LRR's obligatory contribution shall not exceed the per capita share of the eligible unit's adjusted allowance for the person(s) for whom the LRR is liable.
- g. Evaluated contributions of less than \$20 per month will be requested on a voluntary basis only.

Schedule IV - Monthly Income Standards

Part A Parents of AFDC Children	Family Size	Part B All Other LRRs
\$300	1	\$ 750
400	2	1,050
500	3	1,350
550	4	1,650
600	5	1,900
650	6	2,100
700	7	2,300
750	8	2,500
+\$ 50	Each additional person	+\$ 200

Schedule V  
70% Table  
for Establishing LRR's Contribution for Support

Determine the difference between the LRR's adjusted income and the applicable monthly income standard on Schedule IV. In column (A) below find the amount of this difference. The amount in Column (B) is the contribution to be made by the LRR.

When the difference is more than \$100, add appropriate contribution figures; e.g., for difference of \$423, add \$280 (400) and \$16 (23) for a contribution of \$296.

(A) When difference is:	(B) Contribution is:*	(A) When difference is:	(B) Contribution is:*	(A) When difference is:	(B) Contribution is:*
\$ 1	\$ 1	\$38	\$27	\$ 75	\$ 53
2	1	39	27	76	53
3	2	40	28	77	54
4	3	41	29	78	55
5	4	42	29	79	55
6	4	43	30	80	56
7	5	44	31	81	57
8	6	45	32	82	57
9	6	46	32	83	58
10	7	47	33	84	59
11	8	48	34	85	60
12	8	49	34	86	60
13	9	50	35	87	61
14	10	51	36	88	62
15	11	52	36	89	62
16	11	53	37	90	63
17	12	54	38	91	64
18	13	55	39	92	64
19	13	56	39	93	65
20	14	57	40	94	66
21	15	58	41	95	67
22	15	59	41	96	67
23	16	60	42	97	68
24	17	61	43	98	69
25	18	62	43	99	69
26	18	63	44	100	70
27	19	64	45		
28	20	65	46		
29	20	66	46	200	140
30	21	67	47	300	210
31	22	68	48	400	280
32	22	69	48	500	350
33	23	70	49	600	420
34	24	71	50	700	490
35	25	72	50	800	560
36	25	73	51	900	630
37	26	74	52	1,000	700

\*Contributions of less than \$20 may be made on a voluntary basis; they are not required (see Section 334.4g).

335. Acceptable Forms of Support

- a. The LRR may fulfill his/her obligation to support the person or persons for whom he/she is responsible by contributing one or more of the following:

Cash

Shelter and household needs

Any other item determined to be mutually satisfactory to the client and county welfare agency for which equitable monetary value can be clearly established.

- b. When a contribution other than cash is substantial, regular, and reliable, the monetary value shall be deducted from the monthly amount of the LRR's capacity to support. Such contribution must be acceptable to the eligible unit, except when ordered by the courts.
- c. When an LRR who has a capacity to support is providing shelter and household needs, whether in his/her own home or elsewhere, and payment for such arrangement is neither made directly to the client nor stipulated by court order to be made in an identifiable cash amount to a third party, the monthly monetary values shall be recognized according to Schedule VI, but shall not exceed the LRR's evaluated capacity.

Schedule VI  
Shelter and Household Needs

Number in Eligible Unit for Whom Shelter Is Provided	Monthly Monetary Value
1	\$100
2	110
3	120
4	130
5	140
6	150
7 or more	160

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INCOME

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## SUBCHAPTER 4. INCOME

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SUBCHAPTER 4. INCOME10:32-4.1 General provisions

- (a) Income must be in cash or in some other form readily available to meet the needs of the eligible unit. Immediate need demonstrated by an otherwise eligible unit will be met by assistance payments until other resources are in fact actually available.
- (b) Income may be earned, unearned or in the form of contributions (see N.J.A.C. 10:32-4.2, 4.10, and 4.13).
- (c) Earned income shall include the amount of Earned Income Credit advance payment which an individual receives or is entitled to receive.
  1. If an individual applying for or receiving AFDC has on file with his/her employer an Earned Income Advance Payment Certificate (Form W-5) for the current tax year, and is in fact receiving the advance payments, the CWA shall include that amount as earned income of the individual in the month received.
  2. When an individual who is eligible to receive advance payments of earned income tax credit has made all possible efforts to receive the advance payments but does not receive them, because of the refusal of the employer to issue them, the CWA shall not count the amount as earned income.
  3. If an individual applying for or receiving AFDC has earned income but has not filed with his/her employer a Form W-5, the CWA shall include as earned income the advance payment that would be payable upon filing the certificate. The CWA, in order to count the advance payment not actually received, must be reasonably certain that the individual will be eligible to claim the earned income credit on his/her Federal income tax return for that taxable year. That determination shall be made in accordance with the criteria contained in IRS Publication 15 (Circular E; Employers Tax Guide). The amount of earned income credit to be counted shall be determined by consulting the tables in that publication and making any adjustments under which an employer may reduce the amount of advance payment.
  4. At the end of the tax year, if the amount of the advance payments counted by the CWA exceeds the amount of the allowable credit, the CWA shall adjust the benefits of an individual who is a current recipient to provide payment equal to the amount of assistance lost. No such payments shall be made to individuals who are not currently in receipt of AFDC.
  5. In any case where the amount of the advance payments counted by the CWA is less than the allowable credit, the CWA shall count as earned income in the month received any earned income credit payment received by the individual at the end of the tax year to the extent it exceeds the amount counted as advance payments.

10:82-4.2 Definition of earned income

- (a) Earned income refers to gross income earned by an individual through the receipt of wages, tips, salaries or commissions from activities in which he/she is engaged as an employee or from his/her self-employment. It includes earnings over a period of time for which settlement is made in one payment, as in the sale of farm crops.
- (b) When an individual receives shelter in return for performing work duties, the monetary value shall be determined from Schedule VI and included in the total amount of gross earned income. The amount of mandatory payroll deductions to be recognized shall be determined in relation to such total amount.

10:82-4.3 Earned income from self-employment

- (a) With respect to self-employment, the term "earned income" means the total profit from a business enterprise (such as farming) resulting from a comparison of the gross receipts with the business expenses. Business expenses are those costs directly related to producing the goods or services and without which, the goods or services could not be produced. However, items such as depreciation, personal business and entertainment expenses, personal transportation, purchase of capital equipment, and payments on the principal of loans for capital assets or durable goods are not business expenses.
1. Persons who are self-employed shall be required to submit evidence of business receipts and expenditures as the basis for a sound estimate of earned income. A reliable, accurate accounting system or the method utilized in reporting to the Internal Revenue Service shall be acceptable for determining net income.
- (b) In the case of an individual who is self-employed, it may be clearly evident that the expense of producing the income exceeds the income produced. Assistance shall not be granted or continued if such person persists in operating the business, since this in effect would be using public assistance to subsidize a failing business.
1. New business: A period of up to 24 months from the start of a new business will be considered adequate to demonstrate its potential for self-support. In situations where, in the judgement of the county welfare agency, additional time would enable the business to show a profit, the period may be extended up to 12 months.
  2. Business already established: A business which is already established (that is, in operation for at least 36 months) and which shows only marginal profit, either constant or intermittent, will be considered for purposes of this manual to be failing if the profit, averaged over the preceding 12 months, is less than \$375.00 per month.

## 10:82-4.3 (continued)

- (c) An individual who is providing extensive personal services along with room and board accommodation to an adult other than a relative shall be considered self-employed. Any income from this arrangement in excess of \$96.00 shall be recognized as earned income.

10:82-4.4 Disregard of earned income in AFDC-C and -F segments

- (a) The CWA shall disregard from the earned income of each employed individual, the first \$75.00 (\$50.00 for part-time employment) of such earnings.
- (b) The CWA shall disregard from the remaining earned income, the actual costs paid for child care or for care of an incapacitated individual. The amount of the disregard shall not exceed the limits provided in N.J.A.C. 10:82-5.3 or \$160.00 (\$110.00 for part-time employment) per month for each such AFDC recipient requiring care.
- (c) The CWA shall disregard from the total earned income not already disregarded, the first \$30.00 and one-third the remainder for each employed individual.
1. This disregard shall apply to the earned income of a person for a period of four consecutive months. Once this disregard has applied for a four consecutive month period, it shall not again be applied on behalf of that individual as long as he/she continues to receive AFDC-C or -F. If after receiving this disregard for a four consecutive month period, the individual becomes ineligible for AFDC-C or -F, this disregard shall not be applied to his/her income unless the individual has remained ineligible for a period of 12 consecutive months.
  2. Any month for which the individual loses the \$30.00 and one-third disregard because of a provision in (d) below, shall be considered as one of the four consecutive months.
- (d) None of the disregards above shall apply to the earned income of the individual for any month in which one of the following conditions apply to him or her:
1. Terminated his or her employment or reduced his or her earned income without good cause within 30 days prior to that month.
    - i. Good cause includes the following circumstances:
      - (1) The termination or reduction is not voluntary;
      - (2) The wages of employment are below the applicable minimum wage;
      - (3) The individual is not physically able to engage in the employment; and,
      - (4) The employment constitutes a risk to health or safety.

## 10:82-4.4(d) (continued)

2. Refused without good cause, within 30 days prior to that month, to accept employment in which he or she is able to engage which is offered through the State Division of Employment Security or any other bona fide offer of employment. The good cause provisions of (d)11 above apply.
3. Failed to make a timely report of earned income without good cause. The penalty shall not apply when the CWA is able to make the proper AFDC payment despite the lack of timely report.
  1. Good cause for failure to make a timely report shall include but is not limited to:
    - (1) The individual failed to report a decrease in earnings.
    - (2) The individual failed to report an increase in earnings of less than \$5.00;
    - (3) Illness prevented the individual from reporting on a timely basis.
4. Voluntarily requested assistance to be terminated for the primary purpose of avoiding the receipt of the \$30.00 and one-third disregard for four consecutive months.

10:82-4.5 Disregard of earned income in AFDC-N(a) Rules on the N segment are as follows.

1. The first \$60.00 of gross monthly earnings of each employed member of the eligible AFDC-N unit shall be the initial disregard. In addition, in determining amount of payment for an otherwise eligible unit, one-third of the total remaining earned income shall be disregarded and, where applicable, the following:
    - i. All earned income of children under 16 years of age shall be exempt.
    - ii. All earned income of children 16 to 21 years of age who are attending an accredited educational institution on a full-time basis shall be exempt. (See also N.J.A.C 10:82-4.7.)
- (b) For the purposes of determining basic initial eligibility for AFDC-N (see N.J.A.C. 10:82-2.2), calculated earned income is determined without benefit of the disregards authorized in subsection (a) above, unless during any one or more of the four months immediately preceding such determination the family had lawfully been receiving AFDC. When eligibility exists without the benefit of disregards, then disregards are applicable in determining the amount of the initial and subsequent grants.

INCOME10:82-4.6 Disregard of certain allowances and payments in AFDC (all segments)

(a) Incentive allowances of \$30.00 per week to AFDC recipients who are trainees in a CETA program and training allowances received by clients for their classroom attendance in the Youth Employment and Training Program (YETP) and the Youth Incentive Entitlement Pilot Projects (YIEPP) are exempt in the determination of eligibility and grant entitlement. Additional incentive allowances, except as indicated below, are to be counted as unearned income; all other payments through CETA are earned income and shall be treated accordingly.

1. Earnings received by any youth under any of the following three programs of Title IV, Part A of CETA as authorized by the Youth Employment and Demonstration Projects Act (YEDPA) of 1977 shall be disregarded in determining the public assistance payment:

i. The Youth Incentive Entitlement Pilot Projects (YIEPP).

ii. The Youth Community Conservation and Improvement Project (YCCIP):

iii. The Youth Employment and Training Programs (YETP).

(b) Payments for supportive services or reimbursement of out-of-pocket expenses made to individual volunteers, grandparents, senior health aides, or senior companions, and to persons serving in the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE) and any other programs under Titles II and III of the Domestic Volunteer Services Act of 1973 (Public Law 93-113) shall be disregarded.

(c) Payments made to volunteers under Title I (VISTA) of Public Law 93-113, pursuant to Section 404(p), shall be disregarded.

10:82-4.7 Earned income of a child who is full or part-time student

(a) The earned income of any child in the eligible unit who is a full-time student, or is a part-time student who is not a full-time employee, shall be exempt in determining need of the eligible unit and in evaluating his/her capacity as a legally responsible relative. (See N.J.A.C. 10:82-1.9(b) for definitions of full and part-time students.)

(b) For the purposes of this regulation a full-time employee shall be any student whose average employment on a monthly basis equals 35 hours a week or more.

(c) A student who is a full or part-time student during the regular school term shall be considered to be a full or part-time student during all vacation periods.

10:82-4.7 (continued)

- (d) When a child claiming the exemption of earned income described in this section is over 16 years of age, this student shall be informed in writing that he/she has a responsibility for participating in determining his/her eligibility for such exemption. The student and the county welfare agency have joint responsibility for securing the factual data from the school necessary to make the determination as to whether he/she is a full or part-time student, and for securing from his/her employer the factual data of monthly hours employed.
- (e) Part-time students who are fully employed and are thus not eligible for the exemption of earned income as described in this section are eligible for the appropriate disregards depending on program segment.
- (f) The exemption of income under this section does not apply in determining maximum income eligibility in N.J.A.C. 10:82-1.2.

10:82-4.3 Income from family day care

(a) Payments by individuals or agencies for children placed in an eligible unit's home for Family Day Care shall be considered as gross earned income from self-employment. The following figures shall be used in determining the cost of producing the income:

1. Multiply the appropriate monthly cost figure below by the number of children receiving Family Day Care (cost figures include the provision of snacks):
  - i. One meal is served, \$25.00;
  - ii. Two meals are served, \$33.00;
  - iii. Three meals are served, \$40.00.
2. The net income (adjusted gross earnings) to the eligible unit is the difference between the cost as determined in (a)1 above and the total monthly amount paid for such care. Appropriate disregards apply in determining the calculated earned income.

10:82-4.9 Division of Youth and Family Services

- (a) Division of Youth and Family Services' basic monthly payments for the placement of children in foster care and the clothing allowance shall be considered as equal to the cost of providing such care and maintenance. However, when extra payment is received for special services, such additional amount shall be considered as earned income from self-employment (see N.J.A.C. 10:82-4.3).
- (b) For purposes of determining the public assistance allowance, such foster care children are not considered members of the eligible unit.
- (c) The basic monthly rates for foster care as established by the Division of Youth and Family Services are as follows:
1. Child under six years, \$160.00 per month;
  2. Six through nine years, 171.00 per month;
  3. Ten through fourteen years, 139.00 per month;
  4. Fifteen years and over, 200.00 per month.

INCOME10:82-4.10 Income which is not earned

Net income from noneligible household members (except as stated in N.J.A.C. 10:82-4.3(c)), rental of apartments or housekeeping units, returns from capital investment such as dividends and interest, benefits and pensions, annuities, contributions from relatives, compensation payments, and so forth, shall be considered as unearned income. However, all such income shall be recognized in establishing eligibility and in computing the assistance grant.

10:82-4.11 Income from roomers, roomer-boarders and table boarders

Roomers, roomer-boarders or table boarders are noneligible household members. See N.J.A.C. 10:82-2.4 regarding payment received from such persons.

10:82-4.12 Income from apartment or housekeeping units in the eligible unit's home

(a) When the eligible unit is receiving payment from rental of apartments or housekeeping units, the net income shall be determined by deducting the cost of operation and maintenance from the gross income received, as follows:

1. The monthly cost figure for operation and maintenance are as follows:
  - i. With no utilities: \$23.00;
  - ii. Including heat only: \$29.00;
  - iii. Including all utilities: \$34.00.
2. To determine the total cost, multiply the monthly cost figure by the number of rooms in each apartment or housekeeping unit, excluding any room used solely as a bathroom.
3. Deduct the total cost from the amount of rental income received by the eligible unit. The difference is the net unearned income, to be entered on Form PA-3A under "Other Income."

10:82-4.13 Contributions of support

- (a) Obligatory contributions to the support of one or more members of the eligible unit are an available resource and shall be recognized as unearned income, regardless of whether such contributions are in cash or in kind. (See N.J.A.C. 10:82-3.12, Acceptable forms of support.)
- (b) When shelter is being provided by a legally responsible relative who has a capacity to support, the actual cash value shall, whenever possible, be determined and recognized as unearned income to the eligible unit. Where the actual value cannot be established, and is not stipulated by a court order to be made in an identifiable cash amount to a third party, the monthly monetary values shall be recognized according to Schedule VI and shall not exceed the LRR's evaluated capacity.
- (c) Non-obligatory contributions, other than those identified in N.J.A.C. 10:82-3.2(b)7 (occasional gifts), shall be recognized as unearned income only when made in cash to one or more members of the eligible unit (see also N.J.A.C. 10:82-2.4). This does not apply to LRRs who have an evaluated capacity to support.

10:82-4.14 Income received at regular intervals

- (a) Income received at regular weekly or monthly intervals shall be recorded as monthly income.
- (b) When income is received at intervals of more than one month, it shall be recorded by either of the following procedures as determined appropriate for the individual situation:
  - 1. Consider the total amount of the income received in computing the current grant, and reduce or suspend the grant as may be appropriate.
  - 2. Prorate the amount of the income on a monthly basis over the months in which it was earned. Such prorating shall be based on income actually available.



10:82-4.15 Irregular or nonrecurring income

- (a) When a recipient receives nonrecurring income (e.g., retroactive RSDI payments, income tax refunds), that income will be added together with all other income received that month by the eligible unit after application of the disregards in N.J.A.C. 10:82-2.8 and 2.12 and the exemption of income in N.J.A. C. 10:82-4.7. When this total exceeds the AFDC allowance standards in Tables I or II as appropriate, the family will be ineligible for AFDC for the number of full months derived by dividing this total income by the allowance standard applicable to the eligible unit. Any remaining income from this calculation is treated as if it is unearned income received in the first month following the period of ineligibility and is considered available for use at that time.
1. For purposes of determining the period of ineligibility, the family includes the AFDC assistance unit and any other individual (such as a stepparent) whose lump sum income caused the unit's income to exceed the allowance standard.
  2. The period of ineligibility shall begin in the first month subsequent to the month the nonrecurring income is received or if there is insufficient time for a timely adverse action notice, the following month.
  3. In the event the nonrecurring income is not reported timely, the period of ineligibility shall begin at the point the ineligibility would have occurred had the CWA had knowledge of its receipt. The amount of overpayment for the period of ineligibility must be established and recovery made.
  4. The period of ineligibility applies to each individual in the eligible unit at the time of receipt of the lump sum nonrecurring income. Other family members to whom the penalty does not apply, may be eligible as a separate assistance unit.
  5. The period of ineligibility may be reduced only when it is found that a life-threatening circumstance exists. The basis for a determination to shorten the period of ineligibility shall be thoroughly documented in the case record. The period of ineligibility shall not be shortened unless the following criteria are met:
    - i. Until the onset of the life-threatening circumstance, the lump sum income must have been used to meet essential family needs and,
    - ii. The eligible unit must have no other income or resources sufficient to meet the life-threatening circumstance.
- (b) These regulations are not to be construed to limit any policy pertaining to reimbursement in any program but must be applied in conjunction with any repayment agreement. (See also N.J.A.C. 10:82-3.7(a)4.)

INCOME

10:82-4.16 Support and alimony paid by a member of the eligible unit

Child support and alimony payments paid by any member of the AFDC household shall be disregarded in the determination of the assistance payment.

OTHER PAYMENTSSUBCHAPTER 5. OTHER PAYMENTS10:82-5.1 General provisions

- (a) Payments for the specific classes of service identified in N.J.A.C. 10:82-5.2 and 5.4, for expenses of training as authorized in N.J.A.C. 10:82-5.6 and 5.9, and for emergency assistance as defined in N.J.A.C. 10:82-5.10 are not part of the public assistance allowance and shall not be included in the regular monthly grant.

10:82-5.2 Child care and certain other service payments

- (a) Definitions, standards and regulations regarding child care and other social services are promulgated by Division of Youth and Family Services and, under county welfare agencies, are administered by social service workers.
- (b) Recognizing the division of responsibility between income maintenance workers and social service workers, these regulations are nevertheless contained in this Assistance Standards Handbook to aid the income maintenance worker in being knowledgeable about such services and able to make appropriate referrals.

10:82-5.3 Child care

- (a) Child care for the purposes of this section means arrangements for care of a child in a day care center, family day care home, in-home care or day camp. With the exception of (h) below, no child care payments shall be authorized which exceed \$160.00 per month per child.
- (b) Child care may be provided when the county welfare agency determines that such care is essential because of any one or more of the following:
1. The parent or parent-person who normally cares for the child is in training for employment, or is in a program of vocational rehabilitation;
  2. Illness, death and/or other disruption in family living has created problems and on the basis of social and/or medical diagnosis child care is necessary.

OTHER PAYMENTS

10:32-5.3 (continued)

(c) Further rules on child care expenses are:

1. Expenses of child care incident to employment may not be paid pursuant to this section for the AFDC-C and -F segments. Such expenses must be met by the eligible unit and be recognized as an income disregard in determining calculated earned income, unless such cost is otherwise provided for under a separate program such as WIC, and so forth. No payments are authorized for child care expenses incident to the employment of a non-needy caretaker relative.
2. Expenses of child care incident to employment in the AFDC-H segment shall be provided, when necessary, as an additional payment to be paid from the assistance account.
3. Child care as an expense incident to training for employment or incident to a program of vocational rehabilitation may be provided as an additional payment if not available through a special training program or agency. Such payment will be made directly to the client from the assistance account.
4. When the CWA has approved arrangements for in-home care, payment shall be claimed by and paid to the client who has been authorized to purchase such services him/herself, and such payment shall also be made from the assistance account.
5. Authorizations for child care are limited to day care centers and day camps which have been approved by the Division of Youth and Family Services and to family day care homes and in-home care arrangements approved by the Division of Youth and Family Services or the county welfare agency.
6. Any AFDC child care payments authorized under this section, if not a whole dollar amount, shall be rounded down to the next lower whole dollar with the exception of vendor payments which shall be issued in the full amount authorized.

(d) Day care center rules are:

1. "Day Care Center" means group care for children, usually two to five years old, which includes supervised educational work and play experiences under the direction of a trained teacher. Day care centers, which provide care, for a fee, to more than five children between the ages of two to five are required by law to be licensed and approved by the Division of Youth and Family Services. No payments are authorized to or for any day care center which is subject to the Division of Youth and Family Services licensure but lacks such a license.

OTHER PAYMENTS

-10:82-5.3(d) (continued)

2. The maximum allowable rate for care in a licensed (if required) day care center, regardless of the source or sources of payment, shall be the rate established by the Division of Youth and Family Services for that center for the class of service provided. If no such rate has been established, the CWA will notify the Division of Youth and Family Services of the need for an established rate. In this event, until a rate is established, the maximum rate per child, regardless of the source or sources of payment, shall be the least of the following:
  - i. The amount actually charged.
  - ii. The lowest amount charged by the center for any child for the same class of service.
  - iii. \$10.50 per day for full day care, prorated for less than a full day.
3. In addition, when transportation or payment for the cost of transportation is not available from any other source, the CWA may allow the actual cost up to \$0.00 per week maximum per child.

(e) Family day care rules are:

1. "Family day care" means care for any age child, by a day care mother in her own home; family day care may also be a home for after school care. The suitability of any family home for use as a family day care home should be evaluated and approved by the county welfare agency or the Division of Youth and Family Services.
2. The authorized rates for family day care shall not exceed the following, as applicable, except in situations where it can be established by the worker, in cooperation with the parent, that appropriate care can only be obtained in that geographic area at a higher rate:
  - i. \$4.40 per day per child (one day of care shall be interpreted to mean a minimum of six hours of care);
  - ii. \$22.00 per child per week (one week of care shall be interpreted to mean a minimum of 30 hours of care); add \$1.65 per week if a second meal is provided daily.
  - iii. \$95.00 per child per month (one month of care shall be interpreted to mean a minimum of 130 hours of care); add \$7.15 per month if a second meal is provided daily.

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OTHER PAYMENTS

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10:02-5.3(e) (continued)

3. The authorized payment for family day care shall be deemed to be the full cost for all services provided by the family day care home. No additional allowances or cost shall be recognized except that when it is essential for physical health and safety, the cost of transporting a handicapped child to and from the family day care home may be authorized.

(f) In-home care rules are:

1. "In-home care" means care for any age child in the child's usual home.
2. Payment for in-home care is authorized only when there is no one available who will perform the service without cost and this care is essential because one or more of the following is existent:
  - i. A day care center or family day care home is not available; or
  - ii. The child is too young to attend a day care center or family day care home; or
  - iii. There are verified medical and/or social reasons which demonstrate that care in a day care center and/or family day care home would not be in the best interests of the child.
3. The authorized rate for in-home care shall be deemed to be for all services and supervision pertaining to the care of the children and are not for the performance of household tasks unrelated to child care. Payment shall not be authorized for services provided by a relative who resides in the same home as the child when that relative is legally responsible for any member of the eligible unit.
4. Payment for in-home care shall be the actual cost but shall not exceed \$1.25 per hour for all children in the home requiring this care, except in situations where it can be established by the worker, in cooperation with the parent, that appropriate care can only be obtained in that geographic area at a higher rate. The employer's share of Social Security taxes, if applicable, shall be recognized, when due, as a vendor payment.
5. The authorized payment for in-home care shall be deemed to be the full cost for such services and no additional amounts shall be recognized.

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OTHER PAYMENTS

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10:82-5.3 (continued)

(g) Day camp rules are:

1. "Day camp" is construed to mean either the operation of day care center services in an outdoor rather than an indoor setting, or other supervised group care for children with a planned recreational and educational program in an outdoor setting.
2. The use of a day camp is permitted as an alternate form of child care during periods when other facilities are unavailable or in situations where, in the judgement of the county welfare agency, such care is considered necessary or desirable.
3. The maximum allowable rate for care in a day camp, regardless of the source or sources of such payment, shall not exceed the applicable rate for the particular facility and class of service as determined by the Division of Youth and Family Services. This rate shall be inclusive of all transportation costs except that when it is essential for physical health and safety, the costs of transporting a handicapped child to and from day camp may be authorized.

(h) Homes for unwed mothers: When an eligible child who is an expectant mother is receiving care in an approved maternity home, the maximum rate for such care shall be the applicable rate for that facility as determined by the Division of Youth and Family Services, not to exceed a maximum of \$717.00 per month. Such rate shall include all maintenance and care except medical services and shall be made as a vendor payment from the assistance account. □

1. An adjustment to accommodate this absence from the eligible unit's home must be made in computing the family's grant. (See N.J.A.C. 10:82-1.6(b).)

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OTHER PAYMENTS

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10:82-5.4 Service payments from other sources

Payment for such items as homemaker service and travel costs for health care may be available through Title XX or Medicaid funds, where applicable.

520. EXPENSES INCIDENT TO TRAINING

521. An allowance for expenses incident to training shall be provided to the following persons, except when Section 522 applies:

521.1 An eligible child is a student regularly attending a full time college or university, regardless of the type of program; regularly attending a course of vocational training other than the normal secondary school curriculum; or is participating in a work experience training program. See also Sections 125 and 130 (definitions).

521.2 An eligible parent has a reasonable and feasible plan for full time (as defined by the institution client is attending) vocational/educational training, other than the normal secondary school curriculum, which will lead to gainful employment and which meets the following criteria:

- a. The individual has a specific vocational objective and there is a reasonable expectation that jobs will be available in the area of the objective;
- b. the plan is re-evaluated at the end of each term and at such other time(s) as the agency deems necessary;
- c. the individual maintains the passing grades necessary to receive credit at the institution he/she is attending;
- d. the individual has not left gainful employment solely for the purpose of additional training unless such training is designed to increase his/her earning capacity;
- e. a new applicant who has been self-sustaining has not ceased his/her employment within the past six months for the purpose of going to school and applying for assistance.

522. An allowance for expenses incident to training shall not be provided when:
- a. An individual is employed and expenses of employment are being deducted from his/her earnings;
  - b. an individual is receiving an allowance or payment of any kind through the CETA program (see Section 415) or is receiving payment for training expenses through some other program, such as vocational rehabilitation;
  - c. an individual is participating in the WIN program;
  - d. an individual who is attending school is receiving a grant, scholarship or student loan under a federal, state or other public or private program. (See Sections 125 and 126.)
523. The monthly allowance for expenses incident to training shall not exceed \$50. This allowance shall be for all expenses not otherwise provided through other resources, except that it shall not cover lunches or other food since these are included in the regular assistance grant.
- 523.1 The training allowance shall be paid by separate check to the assistance payee. Payment shall be from the Assistance Account.
524. When the county welfare agency has determined that expenses for training are appropriate in accordance with Section 521.2, payment for child care shall be provided where necessary. (See Sections 128.1 and 510 for regulations governing child care allowances.)

530. EMERGENCY ASSISTANCE

- 530.1 "Emergency Assistance" is hereby established as any extra or additional payment(s), authorized in accordance with Section 530.2 and 530.3 during the period of 30 consecutive days immediately following the occurrence of an emergency as defined in 530.3, issued to or for an eligible unit otherwise receiving continuing assistance.
- a. In addition, these regulations apply to an emergency (as described in Section 530.3) which occurred within the 7 calendar days immediately prior to application for AFDC if the applicant is determined eligible at the time of application under established procedures and standards.
- 530.2 The following conditions must be observed with respect to all expenditures by the county welfare agency for which federal and/or State matching is claimed under the classification of emergency assistance:
- a. There shall be no federal matching with respect to payments authorized under Section 530.1 more frequently than during one consecutive period of thirty days within any twelve consecutive months. State matching only will be available at other times.
- b. Payments of emergency assistance in AFDC shall be made as vendor payments whenever feasible, or as direct payments to the eligible unit, or as a combination of both. All payments of emergency assistance, when authorized in full compliance with the conditions in this Section 530, shall be disbursed from the Assistance Account and reported on Form PA-204D.
- 530.3 When (1) there has been substantial loss of shelter, food, clothing or household furnishings by fire, flood, or other similar natural disaster; or when (2) because of an emergent situation over which they had no control or opportunity to plan in advance, the eligible unit is in a state of homelessness; and the county welfare agency determines that the providing of shelter and/or food and/or emergency clothing, and/or minimum essential house furnishings are necessary for health and safety, such needs may be recognized in accordance with the regulations and limitations in the following sections:

530.3 continued

a. Emergency Shelter

When an actual state of homelessness exists or is manifestly imminent, the county welfare agency shall authorize payment of the actual cost of adequate emergency shelter arrangements at the most reasonable rate available, for a specified temporary period not to exceed the calendar month following the month in which the state of homelessness first becomes known.

- 1) Funds from the regular assistance grant or funds considered in developing the amount of that grant are not to be considered in computing the amount of payment for temporary emergency shelter. When more permanent living arrangements are made, any funds actually available to the client from the grant or other income are to be counted in the determination of emergency assistance payments for shelter or utility deposits.

b. Emergency Food Allowance

When food is not available from any other source, an amount of \$1.50 per day per person shall be allowed for a specified number of days only, and in no event beyond such time as other funds become available (e.g. - next regular assistance payment, support payment, receipt of earnings).

- 1) When it is necessary to provide temporary living arrangements for a family by utilizing emergency shelter in a hotel, motel, or other facility in which cooking facilities are not available or are determined by the county welfare agency to be inadequate, payments for restaurant meals, not to exceed \$4.50 per person per day, may be authorized.

c. Emergency Clothing Allowance

When necessary, payments to enable members of the eligible unit to purchase minimum essential clothing for physical health and safety may be granted, not to exceed the amounts stated below:

Age	Amount
Adult:	\$86.00
Child: 13 and over	86.00
Child: 5 thru 12	48.00
Child: Birth thru 4	29.00

- 1) Funds from the regular assistance grant or funds considered in developing the amount of that grant are not to be considered in computing the amount of payment for replacement of clothing lost or destroyed in the incident or occurrence giving rise to the emergency.

10:82-5.10(c) (continued)

4. Emergency house furnishings allowance: Allowances for those items deemed urgent and essential to the physical health and safety of the eligible unit shall not exceed the maximums listed below. □
  - i. Funds from the regular assistance grant or funds considered in developing the amount of that grant are not to be considered in computing the amount of payment for replacement of house furnishings lost or destroyed in the incident or occurrence giving rise to the emergency.

Number of Persons in Eligible Unit	1	2	3	4	5	6 or more
<b>Kitchen Furnishings:</b>						
Range	\$130	\$130	\$130	\$130	\$130	\$160
Refrigerator	200	200	220	220	220	260
Washing Machine			200	200	200	200
Dinette Set	45	45	65	65	85	85*
Kitchen Equipment	50	60	60	72	72	80
<b>Living Room Furnishings:</b>						
Couch and Chair(s)	125	175	175	225	225	225
Table	20	20	20	20	20	20
Lamp(s)	20	20	20	35	35	35
Floor Covering	25	25	25	25	25	25

\*Over 6 - \$12 each additional person

<b>Bedroom &amp; Bath Furnishings:</b>		
Box Spring, Mattress, and Frame, per set	\$110 Twin	\$130 Double
Bunk Beds, per set of 2	\$135	
Crib with Mattress	\$ 50	
Chest(s) of Drawers	\$ 50 Per Person	
Bed and Bath Linens and Miscellaneous Furnishings	\$ 36 Per Person	(Not to exceed \$200 per family)

Window Coverings \$2.50 Per Window

Note: The required amount of sales tax may be authorized in addition to the above maximum allowances.

## 530.3 continued

e. Temporary Care Arrangements for AFDC Children

In an emergency situation such as a mother's being hospitalized or otherwise suddenly removed from the home and there is no other parent in the home, the county welfare agency may deem it necessary to provide a temporary care arrangement for the child(ren) in accordance with Public Assistance Manual Section 4520. Payment shall be authorized according to the conditions stated in Section 530.1 for a period not to exceed two calendar months following the month in which the placement is made (by which time permanent arrangements will have been made by Division of Youth and Family Services or eligibility determined for AFDC-C segment if appropriate).

Payment shall be as follows:

- 1) when the child is placed in a temporary home or shelter, the rate shall not exceed \$5.50 per day per child.
- 2) when arrangement is made for temporary care in the child's own home, payment to the individual providing such care shall be at the most reasonable rate available but shall in no event exceed the rate for homemaker service in that community, regardless of the number of children involved.

530.4 Victims of Domestic Violence

- a. In situations where an applicant or recipient indicates that he/she and his/her children have left their customary residence because of domestic violence, payment of emergency assistance may be authorized under the following conditions:
  - 1) The family is in a state of homelessness due to imminent or demonstrated violence from a member of the household which imperils the health and safety of one or more members of the eligible unit.
  - 2) For new applicants, this state of homelessness occurred within the 7 calendar days immediately prior to the request for emergency assistance. Temporary arrangements during that period do not negate the existence of a state of homelessness.
- b. Payments of emergency assistance as identified in this Section 530.4 may be authorized during the 30 day period immediately following the occurrence of the emergency and must comply with the conditions in Section 530.2.

530.4 continued

c. Allowances

- 1) Temporary Shelter - Cost of temporary shelter arrangements may be authorized in an amount not to exceed the most reasonable cost of similar arrangements in a motel/hotel and shall be for a period not to exceed the calendar month following the month in which the state of homelessness first becomes known.
  - 2) Food - An allowance for food may be provided in accordance with Section 530.3b.
  - 3) Clothing - When necessary, an allowance for clothing may be provided in accordance with Section 530.3c.
  - 4) Additional Needs - When required to establish the family in a new permanent living arrangement, allowances may be authorized for security deposits for rent and/or utilities and for home furnishings (see Section 530.3d).
- d. The regular grant of assistance (including calculated earned income and exempt income) is not to be counted in the determination of eligibility for or the amount of emergency assistance payments authorized for "temporary" emergency arrangements in a shelter or other accommodation.

When plans for more permanent living arrangements are made, any funds actually available to the client are to be counted in the determination of emergency assistance payments for shelter and utility deposits. ]

10:82-5.10 (continued)

(e) Return of child from foster care placement:

1. The CWA may authorize emergency assistance to a family on behalf of a child for the purpose of facilitating the return of a child from foster care placement when the appropriate District Office Manager (DOM) of the Division of Youth and Family Services (DYFS) has approved a specific plan for the return of a child from foster care placement and all of the following conditions exist:
  - i. The emergency assistance has not been used on behalf of this child before under this provision;
  - ii. The CWA is in receipt of detailed written verification (Form PA-60, Certification of Return from Foster Care) from DYFS that the return is barred solely by insufficient or inadequate shelter, food, clothing or house furnishings and there is no other way by which a deficiency can be remedied;
  - iii. The appropriate DOM of DYFS has certified that the return of the child will be effected on a specific date subject to remedy of the deficiency;
  - iv. The child had been living with his or her parents or other relatives as specified in N.J.A.C. 10:81-3.11 within six months prior to the month in which a grant of emergency assistance is provided and the return from placement will be to such a parent or relative;
  - v. Upon return of the child, AFDC eligibility will exist;
  - vi. Emergency assistance for the return of a child from placement shall be granted only when such assistance meets the requirements for Federal matching in accordance with (b) above.
2. Payments of emergency assistance as identified in this section may be authorized during the 30 day period immediately prior to the expected return date. If the child has not been returned by the date indicated, or within 10 working days thereafter, such grants as have not been expended shall be returned to the CWA.

## OTHER PAYMENTS

10:82-5.10(e) (continued)

3. Allowances:

- i. Shelter: Allowances may be made for the cost of change in permanent shelter arrangement including moving costs, security and utility deposits when necessary or cost of improvement of existing shelter based on the most reasonable cost available.
    - (1) Allowances made for the cost of change in permanent shelter arrangement must be documented as necessary for the return of the child. Reasons for such change may include, but are not limited to, the following conditions: inadequate space in current living arrangements; building or health code violations; or lack of access to necessary services for the child.
    - (2) Where there are building and health code violations, they shall be referred to and documented by the appropriate agency(ies) with authority over such matters.
    - (3) Where an allowance is needed for security and utility deposits, the CWA shall establish such deposits on behalf of the eligible unit.
    - (4) Allowances for improvements to existing shelter are limited to improvements involving nonstructural changes and in no event shall be authorized if the family does not own the dwelling nor is responsible for such improvement under the terms of a lease or written rental agreement.
  - ii. Food: An allowance for food may be provided in accordance with (c) 2 above.
  - iii. Clothing: An allowance for clothing for the child to be returned from foster care placement may be provided in accordance with (c) 3 above.
  - iv. Home furnishings: An allowance for the child for house furnishings necessary to facilitate the return of the child from foster care placement may be made in accordance with (c)4 above.
4. Upon return of the child, it is the responsibility of the family to which the child is being returned to meet the shelter, food, clothing and home furnishing needs within existing resources.

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OTHER PAYMENTS

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## 10:82-5.10(e) (continued)

5. CWAs shall report to DPW on emergency assistance payments as to those cases for which emergency assistance was granted to return a child from foster care placement. DYFS shall monitor such cases in order to evaluate the effectiveness of such assistance in reducing foster care placements and foster care costs.
6. In addition to notice requirements set forth in N.J.A.C. 10:81-7.1, a copy of any denial notice for emergency assistance under these provisions shall be provided to the appropriate DOP.

GLOSSARY OF TERMS

For the purpose of this Handbook, terms shall be defined as follows:

- AFDC - Aid to Families with Dependent Children
- adjusted allowance - as used on Form PA-3A: the balance remaining when total income of an eligible unit is subtracted from the unit's public assistance allowance.
- adjusted gross income - as used on Form PA-3A: in self-employment, the net income as determined by subtracting the cost of producing the income from total gross earnings.
- agency - Division of Public Welfare or county welfare agency, as appropriate.
- allowance - the amount of money recognized in this Handbook for a specific purpose.
- assistance payment - the money amount authorized and issued by the county welfare agency.
- available resource - a resource, usually cash, which can be used immediately to meet the needs of an eligible unit.
- boarder, roomer, roomer-boarder - a person, other than a member of an eligible unit, whose acceptance in the household is a business arrangement based upon payment in cash for board, room, or room and board.
- calculated earned income - amount of earned income remaining after applicable disregards and deductions have been subtracted from total gross earnings. This is the accountable amount to be used in determining the eligible unit's total income.
- capacity of a legally responsible relative to support - amount of contribution to be anticipated from an LRR.
- categorical assistance - Federal programs including Aid to Families with Dependent Children and Cuban Refugee Assistance.
- CETA - Comprehensive Employment and Training Act of 1973.

- CWA - county welfare agency
- disregards - amount of earned income discounted in the AFDC programs according to federal and/or State regulations.
- eligible unit - those family members who apply for and are eligible to receive public assistance.
- emancipated - a child released from the duty to serve and obey, his/her parent(s) and having the right to his/her earnings. Emancipation may be expressed or implied from the circumstances.
- emergent situation - a sudden and urgent occasion calling for immediate financial assistance, recognized in this Handbook when the occurrence is one over which the eligible unit had no control or opportunity to plan in advance.
- exempt resource - a resource which is not to be considered in computing extent of need and is not subject to liquidation.
- family size - in an LRR's household, those persons identified in Section 334.2 (members of the eligible unit are not included).
- Form PA-3A - the worksheet and authorization for public assistance prepared for each eligible unit.
- gross earned income - total earnings of members of the eligible unit before applicable disregards and deductions are subtracted.
- head of household - the individual who is recognized by other members of the household as having primary responsibility for financial control and direction of the household.
- homelessness, state of - when the physical health and safety of an eligible unit, through no fault of its members, is imperiled by a substantial loss of shelter.
- Immediate need - condition when a family's available resources, at the time of application or before eligibility is established, are less than the appropriate public assistance standard and applicant is apparently eligible.

- LRR - legally responsible relative.
- MA - Medical Assistance (Medicaid).
- MAA - Medical Assistance for the Aged.
- mandatory payroll deductions - Federal, State and city withholding taxes; Social Security; unemployment compensation taxes; and garnishments as verified by legal document in possession of the employer.
- monthly amount - the amount of money required or provided for one month (computed on the basis of 30 days or 4 1/3 weeks).
- monthly grant - amount of money payment to be made each month to an eligible unit.
- needy person - a person who lacks sufficient income and/or resources to maintain the public assistance level of living.
- ownership of real or personal property - as referred to in this Handbook, includes any and all rights, title or interest legal or equitable to such property.
- parent person - a relative of the child(ren) who, in the absence of a natural or adoptive parent, assumes parental responsibility.
- per capita - an amount equal to one individual's share of the total (allowance, cost, income, etc.).
- potential resource - a resource which, through liquidation, will provide cash for the use of the eligible unit or for reimbursement to the agency.
- public assistance allowance - the money amount recognized in this Handbook for the needs of an eligible unit, according to its size, number in the household and applicable program.
- recoupment - procedure through which the agency is reimbursed for an overpayment to a client.

- relatives, legally responsible - relatives held to be legally responsible by the laws of this State, as identified in Section 331.
- RSDI - Retirement, Survivors and Disability Insurance (Social Security benefits).
- spouse - husband or wife of a specified individual.
- State office - Division of Public Welfare in Trenton.
- SSI - Federal Supplemental Security Income Program, including State supplemental payments administered through this program.
- total income - as used on Form PA-3A: sum of all recognized income of the eligible unit, including unearned and calculated earned income.
- undue hardship - certain situations which, in the judgment of the county welfare agency, will result in unreasonable financial stress upon recipient families.
- vendor payment - check drawn to the order of a person or facility providing goods or services to or for members of an eligible unit, representing payment for such services.
- WIN - Work Incentive Program.
- Worksheet and Authorization for Public Assistance - Form PA-3A, on which is recorded the computations relating to allowance, income, and monthly grant for an eligible unit and including the action recommended or approved by the county welfare agency.

Earned Income in AFDC-C and -F  
CONVERSION TABLE FOR 30 & 1/3 DISREGARD

Assistance Standard's Handbook

WKLY GROSS	AMOUNT AFTER 30&1/3		WKLY GROSS	AMOUNT AFTER 30&1/3		WKLY GROSS	AMOUNT AFTER 30&1/3		WKLY GROSS	AMOUNT AFTER 30&1/3	
	MONTHLY GROSS	MONTHLY GROSS		MONTHLY GROSS	MONTHLY GROSS		MONTHLY GROSS	MONTHLY GROSS		MONTHLY GROSS	MONTHLY GROSS
\$1	\$ 4.33	0	\$32	\$138.67	\$72.45	\$63	\$273.00	\$162.00	\$94	\$407.33	\$251.55
2	8.67	0	33	143.00	75.33	64	277.33	164.89	95	411.67	254.45
3	13.00	0	34	147.33	78.22	65	281.67	167.78	96	416.00	257.33
4	17.33	0	35	151.67	81.11	66	286.00	170.67	97	420.33	260.22
5	21.67	0	36	156.00	84.00	67	290.33	173.55	98	424.67	263.11
6	26.00	0	37	160.33	86.89	68	294.67	176.45	99	429.00	266.00
7	30.33	\$ .22	38	164.67	89.78	69	299.00	179.33	100	433.33	268.89
8	34.67	3.11	39	169.00	92.67	70	303.33	182.22	101	437.67	271.78
9	39.00	6.00	40	173.33	95.55	71	307.67	185.11	102	442.00	274.67
10	43.33	8.89	41	177.67	98.45	72	312.00	188.00	103	446.33	277.55
11	47.67	11.77	42	180.00	101.33	73	316.33	190.89	104	450.67	280.45
12	52.00	14.67	43	186.33	104.22	74	320.67	193.78	105	455.00	283.33
13	56.33	17.55	44	190.67	107.11	75	325.00	196.67	106	459.33	286.22
14	60.67	20.44	45	195.00	110.00	76	329.33	199.55	107	463.67	289.11
15	65.00	23.33	46	199.33	112.89	77	333.67	202.45	108	468.00	292.00
16	69.33	26.22	47	203.67	115.78	78	338.00	205.33	109	472.33	294.89
17	73.67	29.11	48	208.00	118.67	79	342.33	208.22	110	476.67	297.78
18	78.00	32.00	49	212.33	121.55	80	346.67	211.11	111	481.00	300.67
19	82.33	34.89	50	216.67	124.45	81	351.00	214.00	112	485.33	303.55
20	86.67	37.77	51	221.00	127.33	82	355.33	216.89	113	489.67	306.45
21	91.00	40.67	52	225.33	130.22	83	359.67	219.78	114	494.00	309.33
22	95.33	43.55	53	229.67	133.11	84	364.00	222.67	115	498.33	312.22
23	99.67	46.44	54	234.00	136.00	85	368.33	225.55	116	502.67	315.11
24	104.00	49.33	55	238.33	138.89	86	372.67	228.45	117	507.00	318.00
25	108.33	52.22	56	242.67	141.78	87	377.00	231.33	118	511.33	320.89
26	112.67	55.11	57	247.00	144.67	88	381.33	234.22	119	515.67	323.78
27	117.00	58.00	58	251.33	147.55	89	385.67	237.11	120	520.00	326.67
28	121.33	60.89	59	255.67	150.45	90	390.00	240.00	121	524.33	329.55
29	125.67	63.78	60	260.00	153.33	91	394.33	242.89	122	528.67	332.45
30	130.00	66.67	61	264.33	156.22	92	398.67	245.78	123	533.00	335.33
31	134.33	69.55	62	268.67	159.11	93	403.00	248.67	124	537.33	338.22
									125	541.67	341.11

\* For weekly gross earnings above \$125.: for each additional dollar, add \$4.33 to monthly gross earnings and \$2.89 to amount after 30 & 1/3 disregard.

Earned Income in AFDC-N  
CONVERSION TABLE FOR 60 & 1/3 DISREGARD

WKLY GROSS	MONTHLY GROSS		WKLY GROSS	MONTHLY GROSS		WKLY GROSS	MONTHLY GROSS		WKLY GROSS	MONTHLY GROSS		WKLY GROSS	MONTHLY GROSS		WKLY GROSS	MONTHLY GROSS	
	CAIC.	EARNED INCOME		CAIC.	EARNED INCOME		CAIC.	EARNED INCOME		CAIC.	EARNED INCOME		CAIC.	EARNED INCOME		CAIC.	EARNED INCOME
\$14	\$ 60.67	\$ .45	\$46	\$199.33	\$92.89	\$78	\$338.00	\$185.33	\$110	\$476.67	\$277.78	\$110	\$476.67	\$277.78			
15	65.00	3.33	47	203.67	95.78	79	342.33	188.22	111	481.00	280.67	111	481.00	280.67			
16	69.33	6.22	48	208.00	98.67	80	346.67	191.11	112	485.33	283.55	112	485.33	283.55			
17	73.67	9.11	49	212.33	101.55	81	351.00	194.00	113	489.67	286.45	113	489.67	286.45			
18	78.00	12.00	50	216.67	104.45	82	355.33	196.89	114	494.00	289.33	114	494.00	289.33			
19	82.33	14.89	51	221.00	107.33	83	359.67	199.78	115	498.33	292.22	115	498.33	292.22			
20	86.67	17.78	52	225.33	110.22	84	364.00	202.67	116	502.67	295.11	116	502.67	295.11			
21	91.00	20.67	53	229.67	113.11	85	368.33	205.55	117	507.00	298.00	117	507.00	298.00			
22	95.33	23.55	54	234.00	116.00	86	372.67	208.45	118	511.33	300.89	118	511.33	300.89			
23	99.67	26.45	55	238.33	118.89	87	377.00	211.33	119	515.67	303.78	119	515.67	303.78			
24	104.00	29.33	56	242.67	121.78	88	381.33	214.22	120	520.00	306.67	120	520.00	306.67			
25	108.33	32.22	57	247.00	124.67	89	385.67	217.11	121	524.33	309.55	121	524.33	309.55			
26	112.67	35.11	58	251.33	127.55	90	390.00	220.00	122	528.67	312.45	122	528.67	312.45			
27	117.00	38.00	59	255.67	130.45	91	394.33	222.89	123	533.00	315.33	123	533.00	315.33			
28	121.33	40.89	60	260.00	133.33	92	398.67	225.78	124	537.33	318.22	124	537.33	318.22			
29	125.67	43.78	61	264.33	136.22	93	403.00	228.67	125	541.67	321.11	125	541.67	321.11			
30	130.00	46.67	62	268.67	139.11	94	407.33	231.55	126	546.00	324.00	126	546.00	324.00			
31	134.33	49.55	63	273.00	142.00	95	411.67	234.45	127	550.33	326.89	127	550.33	326.89			
32	138.67	52.45	64	277.33	144.89	96	416.00	237.33	128	554.67	329.78	128	554.67	329.78			
33	143.00	55.33	65	281.67	147.78	97	420.33	240.22	129	559.00	332.67	129	559.00	332.67			
34	147.33	58.22	66	286.00	150.67	98	424.67	243.11	130	563.33	335.55	130	563.33	335.55			
35	151.67	61.11	67	290.33	153.55	99	429.00	246.00	131	567.67	338.45	131	567.67	338.45			
36	156.00	64.00	68	294.67	156.45	100	433.33	248.89	132	572.00	341.33	132	572.00	341.33			
37	160.33	66.89	69	299.00	159.33	101	437.67	251.78	133	576.33	344.22	133	576.33	344.22			
38	164.67	69.78	70	303.33	162.22	102	442.00	254.67	134	580.67	347.11	134	580.67	347.11			
39	169.00	72.67	71	307.67	165.11	103	446.33	257.55	135	585.00	350.00	135	585.00	350.00			
40	173.33	75.55	72	312.00	168.00	104	450.67	260.45	136	589.33	352.89	136	589.33	352.89			
41	177.67	78.45	73	316.33	170.89	105	455.00	263.33	137	593.67	355.78	137	593.67	355.78			
42	182.00	81.33	74	320.67	173.78	106	459.33	266.22	138	598.00	358.67	138	598.00	358.67			
43	186.33	84.22	75	325.00	176.67	107	463.67	269.11	139	602.33	361.55	139	602.33	361.55			
44	190.67	87.11	76	329.33	179.55	108	468.00	272.00	140	606.67	364.45	140	606.67	364.45			
45	195.00	90.00	77	333.57	182.45	109	472.33	274.89	*			*					

\*For amounts above \$140.: for each additional dollar, add \$4.33 to monthly gross and \$2.89 to calculated earned income.