

C Disqualified NA Participants Effect on the NA Benefit Amount



This subject includes information about how having an NA disqualified participant in the budgetary unit affects NA benefit determination and eligibility.

Policy

Special consideration is given to budgetary units with a disqualified participant.

Disqualified participants are not included when determining the budgetary unit size or when assigning a benefit level.

Disqualified participants are included when determining the correct utility allowance amount for the budgetary unit.

Depending on the disqualification reason, the income and expenses of disqualified participants are counted in full or prorated to the remaining participants in the budgetary unit.

Income and expenses are counted in full for a participant disqualified for **any** of the following reasons:

- NA work requirement disqualification
- Intentional program violation (IPV)
- Fleeing felon
- Felony drug conviction
- A conviction for **any** of the following:
 - Trading NA benefits for controlled substances
 - Trading controlled substances for NA benefits
 - Trafficking NA benefits
 - Making fraudulent statements concerning identity or residence in order to receive multiple NA benefits
- Refusing a job offer, voluntarily quitting a job, or voluntarily reducing work hours
- Nonqualified noncitizen participants with the following status:
 - Diplomats
 - Students
 - Tourists
 - Undocumented noncitizens
 - Visitors

Income and expenses are prorated to the remaining participants in the budgetary unit for a participant disqualified for **any** of the following reasons:

- Noncompliance with the Social Security Number (SSN) enumeration requirements
- Nonqualified noncitizen participants with the following status:
 - Legal Permanent Residents (LPRs) who do not meet the five-year residency requirement
 - Parolees
 - Special agricultural workers admitted for temporary residence

AZTECS Keying Procedures

Key expenses on EXNS next to the applicable participant based on **any** of the following:

- When the expense is paid by or billed to the disqualified participant, key the expense next to the disqualified participant. (See [Example 1](#))
- When both the disqualified participant and a participant receiving benefits pay the expense, complete **all** of the following: (See [Example 2](#))
 - Key the portion of the expense allocated to the disqualified participant next to the disqualified participant
 - Key the portion of the expense allocated to the participant receiving benefits next to the participant receiving benefits
- When the expense is billed to the disqualified participant and the participant receiving benefits pays the expense, do not prorate the expense. Key the expense next to the participant receiving benefits. (See [Example 3](#)) However, when the participant receiving benefits pays the entire expense with money provided by the disqualified participant, key the expense next to the disqualified participant. (See [Example 4](#))
- When the PI in an NA and CA case is the disqualified participant and the only income is CA, do not prorate the expenses. Key the expenses next to the participant receiving benefits. (See [Example 5](#))

Examples

- 1) Brenda has applied for NA for herself and her 10-month-old daughter, Cindy (both are keyed IN on SEPA). Cindy's father, Diego, also lives with Brenda and must be in the budgetary unit as a mandatory participant. However, Diego is disqualified because he is a nonqualified noncitizen (keyed DI).

The rent and utilities are billed to Brenda, but Diego actually pays the bills.

The rent and utilities are keyed next to Diego (the disqualified participant) on EXNS or EXPC. No shelter or utility expenses are keyed next to Brenda (the participant keyed IN on SEPA).

2) Brenda has applied for NA for herself and her 10-month-old daughter, Cindy (both are keyed IN on SEPA). Cindy's father, Diego, also lives with Brenda and must be in the budgetary unit as a mandatory participant. However, Diego is disqualified because he is a nonqualified noncitizen (keyed DI).

The \$400 rent and \$50 electricity bill are billed to Brenda. Brenda states that she and Diego share the shelter and utility bills equally.

The rent and electricity are split equally and keyed next to both Brenda and Diego on EXNS. On EXNS, key \$200 next to Brenda using the RE Expense Code and \$200 next to Diego using the RE Expense Code. Also, key \$25 next to Brenda using the EL Expense Code and \$25 next to Diego using the EL Expense Code.

3) Brenda has applied for NA for herself and her 10-month-old daughter, Cindy (both are keyed IN on SEPA). Cindy's father, Diego, also lives with Brenda and must be in the budgetary unit as a mandatory participant. However, Diego is disqualified because he is a nonqualified noncitizen (keyed DI).

The rent and utilities are billed to Diego, but Brenda has a letter from Diego stating that Brenda pays the rent and utilities herself.

The rent and utilities are keyed next to Brenda (keyed IN on SEPA) on EXNS. No shelter or utility expenses are keyed next to Diego (the disqualified participant).

4) Brenda has applied for NA for herself and her 10-month-old daughter, Cindy (both are keyed IN on SEPA). Cindy's father, Diego, also lives with Brenda and must be in the budgetary unit as a mandatory participant. However, Diego is disqualified because he is a nonqualified noncitizen (keyed DI).

The rent and utilities are billed to Diego, but Brenda has a letter from Diego stating that Brenda pays the rent and utilities herself.

Brenda has no income, so during investigation into how she pays her bills because her 'expenses exceed her income', Brenda identified that Diego gives her the money to pay the rent and utilities.

After documenting everything clearly, the rent and utilities are keyed next to Diego (the disqualified participant) on EXNS or EXPC. No shelter or utility expenses are keyed next to Brenda (the participant keyed IN on SEPA).

5) Diego is disqualified because he is a nonqualified noncitizen (the PI and keyed DI on SEPA). The only income the family is receiving at this time is CA for his 10-month-old daughter, Cindy (keyed IN on SEPA).

Diego and Cindy are living with Diego's friend, George. A letter from George confirms that Diego is billed and paying \$50 towards the rent. A collateral contact call to George confirmed that none of the \$50 goes towards utilities and Diego is not billed for utilities.

The rent is keyed next to Cindy on EXNS because she is the only one keyed IN on SEPA. No shelter or utility expenses are keyed next to Diego (the disqualified PI).

Legal Authorities

FAA5.I Determining Benefits : 01 Determining NA Benefits : C Disqualified NA Participants Effect on the NA Benefit Amount

7 CFR 273.10(a)(1)(ii)(A)-(B)

7 CFR 273.10(a)(1)(iii)(A)-(C)

7 CFR 273.10(a)(2)

7 CFR 273.11(c)

[Prior Policy](#)

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