Senate

General Assembly

File No. 686

January Session, 2007

Senate Bill No. 1156

Senate, May 2, 2007 The Committee on Appropriations reported through SEN. HARP of the 10th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT ALIGNING THE FOOD STAMP PROGRAM MOTOR VEHICLE RULE WITH THE CARE4KIDS MOTOR VEHICLE RULE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (b) of section 17b-105a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(b) The Commissioner of Social Services shall implement **[**the federal option to allow applicants for, or recipients of, food stamps to retain a car valued up to the limit established under the temporary family assistance program**]** vehicle evaluation provisions in accordance with 7 CFR 273.8(f)(4).

This act shall take effect as follows and shall amend the following sections:		
Section 1	*July 1, 2007*	17b-105a(b)

HS	*Joint Favorable C/R*	APP
APP	*Joint Favorable*	

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

This bill allows the Department of Social Services to exclude motor vehicles when determining eligibility for the federal Food Stamp Program. As Food Stamps are a fully federally funded program, there is no fiscal impact to the state.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis
SB 1156

AN ACT ALIGNING THE FOOD STAMP PROGRAM MOTOR VEHICLE RULE WITH THE CARE4KIDS MOTOR VEHICLE RULE.

SUMMARY:

This bill effectively permits the Department of Social Services (DSS) to exclude all of a household's motor vehicles from being counted as assets in determining the household's eligibility for the food stamp program. It does this by requiring the DSS commissioner to use alternative motor vehicle evaluation provisions allowed in federal regulations in determining food stamp eligibility. These provisions allow the state to use the same motor vehicle rules in the food stamp program as apply to any of its programs that are funded by federal Temporary Assistance to Needy Families (TANF) money.

Current state law requires DSS to use the Temporary Family Assistance (TFA) program rules. That program currently allows any applicant to exempt one vehicle with a value of up to $9,500, but it also allows an exemption for vehicles used to transport people with disabilities. But because the TFA program has a dollar limit on the exempt vehicle, due to federal requirements the calculation becomes more complex for the food stamp program if a household has several vehicles (see Background).

While the bill does not specify to which TANF-funded program DSS must tie the food stamp vehicle rules, it in effect allows DSS to apply the Care4Kids rules, which do not count any vehicles as assets in a family's eligibility calculations. Care4Kids provides child care subsidies to people on welfare and low-income workers. Both TFA and Care4Kids are TANF-funded programs.

EFFECTIVE DATE: July 1, 2007

BACKGROUND

Current Connecticut Food Stamp Motor Vehicle Exclusion Rules

Currently, any Connecticut household applying for food stamps (a mostly federally funded program administered by the state) can exclude one motor vehicle worth up to $9,500 from being counted as an asset because the current state law ties the exclusion to the TFA rules. Some vehicles, such a those needed for transporting disabled people or needed in people's work, can be totally excluded. For households with more than one vehicle, special rules apply depending on the vehicles' use and value. If a vehicle is not otherwise excluded, its fair market value above $4,650 must be counted as an asset for eligibility purposes.

Federal Authority for States to Choose Alternate Rules

Federal regulations allow a state to substitute the motor vehicle evaluation rules of any of its TANF-funded programs in place of the complex federal food stamp rules. But if a state chooses this option and the program it chooses contains dollar limits on the value of excluded vehicles, it must apply either the substituted state rules or the federal rules to each of a household's vehicles in turn, using whichever set of rules produces the lower asset level for the household.

On the other hand, if a state substitutes vehicle rules from a TANF-funded program that excludes all vehicles completely or has no asset limits, it must exclude all vehicles owned by the applicant household regardless of their value (7 CFR 273.8(f)(4)). This would be the effect if DSS ties the food stamp motor vehicle rules to the Care4Kids program, as it apparently plans to do.

COMMITTEE ACTION

Human Services Committee

Joint Favorable Change of Reference
Yea 19 Nay 0 (03/01/2007)

Appropriations Committee

Joint Favorable
Yea 50 Nay 0 (04/17/2007)