

STATE WAIVER REQUEST

1. **Waiver Serial Number (if applicable):** NA
2. **Type of request:** Initial
3. **Regulatory citation:** 7 CFR 273.9 (b)(2)(ii)
4. **State:** Michigan
5. **Region:** MWRO
6. **Regulatory requirements:** 7 CFR 273.9 (b)(2)(ii)
 - (i) Earned income shall include:
 - (ii) Annuities; pensions; retirement, veteran's, or disability benefits; worker's or unemployment compensation including any amounts deducted to repay claims for intentional program violations as provided in § 272.12; old-age, survivors, or social security benefits; strike benefits; foster care payments for children or adults who are considered members of the household; gross income minus the cost of doing business derived from rental property in which a household member is not actively engaged in the management of the property at least 20 hours a week.
7. **Description of alternative procedures:**

Michigan proposes to exclude the Federal Pandemic Unemployment Compensation (FPUC) funding, allowing an additional \$600 per week in unemployment compensation for 17 weeks (3/29/20- 7/25/20). We believe a precedent was set for this exclusion based on the current Census 2020 Demonstration project which allows Michigan to exclude the income of recipients who are employed as Census workers. This demonstration allows the state to exclude this income for nine months (January 2020- September 2020). The demonstration waiver was approved in part, to ease program administration by aligning Supplemental Nutrition Assistance Program (SNAP) policy with TANF and Medicaid policies. The exclusion of this temporary benefit would also benefit clients who are struggling to regain employment and meet their basic needs during this pandemic crisis.
8. **Justification for request:**

In Michigan, all other assistance programs are currently excluding the FPUC of \$600 per week as income for benefit determination. Including this income for only SNAP creates complex determination decisions for eligibility staff. Due to time and funding constraints, we are unable to complete a system change for this new income type. If FAP must count FPUC as income for benefit determination, the State will be required to develop a manual process to enter and document the income received in our integrated eligibility system. Local offices will have to spend valuable time documenting and entering this income differently for FAP than for other programs. This will create additional hardship on our local office specialists, during this already difficult time. In addition, SNAP recipients will have their benefits

impacted during a time in which they are unable to seek employment and have very limited access to additional resources.

On January 31, 2020, the International Health Regulations Emergency Committee of the World Health Organization declared the outbreak of COVID-19 a public health emergency of international concern as well as Health and Human Services Secretary, Alex M. Azar II, declared a public health emergency for the United States. The Governor of Michigan, Governor Gretchen Whitmer, declared a state of emergency of the entire state of Michigan on March 10, 2020, (Executive Order 2020-04) to protect the well-being of the citizens of Michigan from the dangerous effects of COVID-19. In addition to the state-declared state of emergency, on March 13, 2020, President Trump declared a national state of emergency over the COVID-19 pandemic.

9. Anticipated impact on households and State agency operations:

This waiver will allow participants who receive FPUC to continue receiving SNAP benefits during the COVID 19 pandemic. This will ease the burden on eligibility specialists who are addressing a significant increase in the number of FAP applications and processing requirements.

10. Caseload information, including percent, characteristics, and quality control error rate for affection portion (if applicable):

This waiver will apply to all SNAP applicant and recipient households who receive FPUC. The number of SNAP recipients as of February 9,2020 was 1,175,901.

11. Anticipated implementation date and time period for which waiver is needed:

Immediately upon approval until the month following the month the state of emergency ends.

12. Proposed quality control review procedures: Cases will be reviewed in accordance with this waiver approval.

13. Signature and title of requesting official:

Dawn M Sweeney

Title: SNAP State Administrator

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14. Date of request: 4/13/2020

15. State agency staff contact (name/email/telephone): Dawn M. Sweeney, 517-243-5560
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16. Regional office contact person (to be completed by FNS regional office):