

NOTICE OF INTENT

Department of Children and Family Services

Division of Programs

Economic Stability Section

Exempt Earned Income Tax Credit (EITC) Payments

(LAC 67:III.1975)

In accordance with R.S. 49:950 et seq., the Administrative Procedure Act, the Department of Children and Family Services (DCFS), proposes to amend the Louisiana Administrative Code (LAC), Title 67, Part III, Subpart 3, Section 1975, Earned Income Tax Credit (EITC).

Pursuant to the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (Section 728, P.L. 111-312) enacted on December 17, 2010, the agency must exclude as income and as resources for a period of 12 months from the month received, Federal tax refunds received after December 31, 2009, in all Federal means-tested programs. In accordance with the Food and Nutrition Services (FNS) Supplemental Nutrition Assistance Program (SNAP) policy memo dated February 07, 2011, Section 1975 of Subpart 3, Chapter 19, Subchapter I is being revised to disregard Earned Income Tax Credit (EITC) payments as a resource for a period of 12 months from the date of receipt.

Action is required in this matter in order to avoid sanctions and penalties from the United States (R.S. 49:953(B)). If the agency does not follow the Federal law regarding excluding Federal tax refunds, the department may be subject to sanctions and penalties. This action was made effective by an Emergency Rule dated April 10, 2011.

Title 67

SOCIAL SERVICES

Part III. Economic Stability

Subpart 3. Supplemental Nutrition Assistance Program (SNAP)

Chapter 19. Certification and Eligible Households

Subchapter I. Income and Deductions

§1975. Earned Income Tax Credits (EITC)

A. Exclude EITC as resources for 12 months from receipt.

AUTHORITY NOTE: Promulgated in accordance with 7 CFR 273.9 and P.L. 103-66, P.L. 110-246, Section 728 P.L. 111-312.

HISTORICAL NOTE: Promulgated by the Department of Social Services, Office of Eligibility Determinations in LR 15:74 (February 1989). Amended in LR 15:393 (May 1989). Amended by the Department of Social Services, Office of Family Support in LR 20:990 (September 1994), LR 20:1362 (December 1994), LR 21:186 (February 1995), amended by the Department of Children and Family Services, LR 36:2530 (November 2010), LR 37:

FAMILY IMPACT STATEMENT

1. What effect will this Rule have on the stability of the family? This Rule should have no impact on family stability.
2. What effect will this have on the authority and rights of persons regarding the education and supervision of their children? This Rule will have no effect on the authority and rights of persons regarding the education and supervision of their children.
3. What effect will this have on the functioning of the family? This Rule will have no effect on the functioning of the family.
4. What effect will this have on family earnings and family budget? The Rule may have a positive effect because it may allow more families to receive benefits. Currently households receiving Earned Income Tax Credit (EITC) payments are counted as resources. These payments will no longer be counted as a resource for a period of 12 months from the date of receipt.

5. What effect will this have on the behavior and personal responsibility of children? This Rule has no effect on the behavior or personal responsibility of children.

6. Is the family or local government able to perform the function as contained in this proposed Rule? No, these functions are agency functions.

The impact of the proposed Rule on small businesses as defined in the Regulatory Flexibility Act has been considered. It is estimated that the proposed action is not expected to have a significant adverse impact on small businesses. The agency, consistent with health, safety, environmental and economic welfare factors has considered and, where possible, utilized regulatory methods in the drafting of the proposed Rule that will accomplish the objectives of applicable statutes while minimizing the adverse impact of the proposed Rule on small businesses.

All interested persons may submit written comments through, June 27, 2011 to Sammy Guillory, Deputy Assistant Secretary, Department of Children and Family Services, Division of Programs, Post Office Box 94065, Baton Rouge, LA, 70821-9065.

A public hearing on the proposed Rule will be held on June 27, 2011 at the Department of Children and Family Services, Iberville Building, 627 N. 4th Street, Seminar Room 1-127, Baton Rouge, LA, beginning at 9:00 a.m. All interested persons will be afforded an opportunity to submit data, views, or arguments, orally or in writing, at said hearing. Individuals with disabilities who require special services should contact the DCFS Appeals Bureau at least seven working days in advance of the hearing. For assistance, call Area Code 225-342-1502 (Voice and TDD).

Ruth Johnson
Secretary