



November 7, 2023

**Food Assistance Transmittal Letter No. 446**

TO: All Food Assistance Manual Holders

FROM: Matt Damschroder, Director

**SUBJECT: Food assistance: Resource Standards, Exempt Resources, and Special Resource Situations**

In accordance with section 106.03 of the Ohio Revised Code (ORC), each state agency is required to review each of its rules in the Ohio Administrative Code a minimum of once every five years. The intent of the review is to ensure that Administrative Code rules are clearly written and that program requirements are accurate, up-to-date based on regulations from the United States Department of Agriculture Food and Nutrition Services (FNS) and clearly expressed. To the extent possible, unnecessary paperwork will be eliminated, local agencies will be given increased flexibility, and any adverse impact on businesses will be eliminated or reduced. As a result of the review, the agency may amend the rule; rescind the rule; or continue the rule without amendment.

The Office of Family Assistance (OFA) has taken the actions described below. These rules have been subject to a review by the Joint Committee on Agency Rule Review (JCARR). The changes will become effective on 12/01/2023.

**Chapter 4000**

**5101:4-4-01 "Food assistance: Resource Standards."**

This rule describes the resource standards for the supplemental nutrition assistance program (SNAP). Changes to the rule include:

- Language was added to paragraph (B)(2) to align with federal regulations; and
- Minor language changes for clarity.

**5101:4-4-03 "Food assistance: Exempt Resources."**

This rule describes the resources that are exempt from the supplemental nutrition assistance program (SNAP). Changes to the rule include:

- Former paragraphs (A)(7)(a)(ii) and (A)(7)(a)(iii) were combined to clarify that property, such as farmland and work-related equipment are both exempt for one year from the date the assistance group member terminates employment from farming;
- Language was added to paragraph (A)(8) to align with federal regulations;
- Paragraph (A)(10(f) was amended to update the section number of the Revised Code;
- Paragraph (A)(11) was amended to align with federal regulations;
- Language was added to paragraph (B)(2) to align with federal regulations; and
- Minor language changes for clarity.

**5101:4-4-07 "Food assistance: Special Resource Situations."**



This rule describes the policies regarding resource situations for the supplemental nutrition assistance program (SNAP). Minor language changes were made for clarity; however, no substantive changes were made.

5101:4-4-01

**Food assistance: resource standards.**

An assistance group who has not been determined categorically eligible in accordance with rule 5101:4-2-02 of the Administrative Code must be under the resource limit in order to be eligible for supplemental nutrition assistance program (SNAP) benefits. Resource limits are reviewed and adjusted annually. The amounts are updated in the statewide automated eligibility system and the county agencies are notified of the amounts by issuance of a food assistance change transmittal, which can be found in the food assistance certification handbook at the Ohio department of job and family services website: <http://emanuals.jfs.ohio.gov>.

**(A) What are the types of resources?**

There are two types of resources:

- (1) Liquid resources: cash on hand, money in checking or savings accounts, savings certificates, stocks or bonds, and lump-sum payments as specified in rule 5101:4-4-07 of the Administrative Code.
- (2) Non liquid resources: personal property, buildings, land, recreational properties, and any other property such as boats, vacation homes, and mobile homes provided that these resources are not specifically excluded under rule 5101:4-4-03 of the Administrative Code. The value of nonexempt resources shall be the equity value. The equity value is the fair market value less encumbrances.

**(B) Are resources required to be documented and verified?**

- (1) Resources shall be documented for all assistance groups. During the interview, the county agency shall review with the applicant the resources reported as well as the possibility of unreported resources.
- (2) When an assistance group is not categorically eligible, the county agency shall verify resource information ~~if~~ when the information is questionable and may affect the assistance group's eligibility and/or benefit level. To be questionable, information on the application must be inconsistent with statements made by the applicant, other information on the application or a previous application, or with information received by the county agency.

**(C) How are resources determined for sponsored aliens?**

For assistance groups containing sponsored aliens as defined in rule 5101:4-6-31 of the Administrative Code, resources shall also include that portion of the resources of an alien's sponsor and the sponsor's spouse (when living with the sponsor) that

has been deemed to be the alien's in accordance with the procedure established in rule 5101:4-6-31 of the Administrative Code, unless the sponsored alien is otherwise exempt from this provision in accordance with rule 5101:4-6-31 of the Administrative Code.

Effective: 12/1/2023  
Five Year Review (FYR) Dates: 8/16/2023 and 12/01/2028

CERTIFIED ELECTRONICALLY

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Certification

10/31/2023

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Date

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5101:4-4-03

**Food assistance: exempt resources.**

## (A) Which resources are exempt?

The following resources are exempt:

## (1) Home and surrounding property.

(a) The home and surrounding property that is not separated from the home by intervening property owned by others is considered part of the home ~~which that~~ is an exempt resource. Public rights of way, such as roads ~~which that~~ run through the surrounding property and separate it from the home, will not affect the exemption of the property. The home and surrounding property continue to be an exempt resource even when a portion of the surrounding property is income-producing.

(b) The home and surrounding property shall remain exempt when temporarily unoccupied for reasons of employment, training for future employment, illness, or uninhabitability caused by casualty or natural disaster when the assistance group intends to return.

(c) An assistance group that currently does not own a home, but owns or is purchasing a lot on which it intends to build or is building a permanent home, shall receive an exemption for the value of the lot and, ~~if when~~ it is partially completed, for the home.

## (2) Household and personal goods.

## (3) Cash value of a life insurance policy.

## (4) One burial plot per assistance group member.

## (5) The value of one revocable funeral agreement per assistance group member.

(6) Vehicles in accordance with Ohio's temporary assistance for needy families (TANF) plan as permitted by the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act of 2001, Pub. L. No. 106-387, (10/2000).

## (7) Income-producing property.

## (a) Income producing property is:

(i) Property ~~which that~~ annually produces income consistent with its fair market value, even when only used on a seasonal basis: such

property shall include rental homes and vacation homes (when income producing);

~~(ii) Property, such as farm land, which is essential to the employment or the self-employment of a household member. Property exempt as essential to employment need not be producing income consistent with its fair market value;~~

~~(iii)~~(ii) Property, such as farm land or Work-related work-related equipment, such as the tools of a tradesman or the machinery of a farmer, which that is essential to the employment or self-employment of a an household assistance group member. Property essential to the self-employment of an assistance group member engaged in farming shall continue to be exempt for one year from the date the assistance group member terminates the member's self-employment from farming;

~~(iv)~~(iii) Installment contracts for the sale of land or buildings when the contract or agreement is producing income consistent with its fair market value. The value of the property sold under contract or held as security in exchange for a purchase price consistent with the fair market value of that property is also exempt.

(8) Property, real or personal, to the extent that it is directly related to the use and maintenance of vehicles that are annually producing income consistent with its fair market value, or necessary for long distance travel, other than daily commuting, that is essential to the employment of an assistance group member. Only: the portion of real property determined necessary for maintenance or for use of the vehicle is exempt under this rule.

(9) Inaccessible resources: resources are exempt when the cash value is not accessible to the assistance group such as, but not limited to, irrevocable trust funds, security deposits on rental property or utilities, property in probate, and real property ~~which that~~ the assistance group is making a good faith effort to sell at a reasonable price and ~~which~~ has not been sold. The county agency may verify that the property is for sale and that the assistance group has not declined a reasonable offer. Verification may be obtained through a collateral contact or documentation, such as an advertisement for public sale in a newspaper of general circulation or a listing with a real estate broker. Resources shall be considered inaccessible to the assistance group as long as they were truly unknown to the assistance group. At the point the assistance group discovers or is made aware of the resources that are legally available to the assistance group,

the resources must be counted in determining the assistance group's eligibility for supplemental nutrition assistance program (SNAP).

- (10) ~~Funds transferred or produced by a trust: any~~ Any funds in a trust or transferred to a trust, and the income produced by that trust, shall be considered inaccessible to the assistance group when:
- (a) The trust is under the control and management of an institution, corporation, or organization (the trustee) ~~which that~~ is not under the direction or ownership of any assistance group member, or an individual appointed by the court who has court-imposed limitations placed on his or her use of the funds that meet the requirements of this paragraph;
  - (b) The funds held in irrevocable trust are either: established from the assistance group's own funds, when the trustee uses the funds solely to make investments on behalf of the trust or to pay the educational or medical expenses of any person named by the assistance group creating the trust; or established from non assistance group funds by a non assistance group member;
  - (c) The trust investments do not directly involve or assist any business or corporation under the control or influence of an assistance group member;
  - (d) The trust arrangement will not likely cease during the certification period; and
  - (e) No assistance group member has the power to revoke the trust arrangements or change the name of the beneficiary during the certification period.
  - (f) Section ~~4721.211-4717.36~~ of the Revised Code allows prepaid (prearranged or pre-need) burial contracts to establish burial accounts as irrevocable trust funds. A "prepaid burial contract" is an agreement among the recipient, the financial institution, and the funeral director. The agreement directs the financial institution to deliver to the funeral director, upon the recipient's death, the funds from a designated payable-on-death account ~~which that~~ is on deposit at the financial institution.
- (11) Earmarked resources: this includes any governmental payments ~~which that~~ are designated for the restoration of the home ~~which that~~ has been damaged in a disaster, when the assistance group is subject to a legal sanction when the funds are not used as intended. Examples of payments are those made by the department of housing and urban development through individual and family



grant program and or disaster loans or grants made by the small business administration.

- (12) Resources ~~which that~~ have been prorated and counted as income.
  - (13) Indian lands held jointly with the tribe, or land that can be sold only with the approval of the department of interior's bureau of Indian affairs.
  - (14) Energy assistance payments or allowances exempt as income under rule 5101:4-4-13 of the Administrative Code.
  - (15) Non-liquid assets against ~~which~~ a lien that has been placed as a result of taking out a business loan and the assistance group is prohibited by the security or lien agreement with the lien holder (creditor) from selling the assets.
  - (16) A non-liquid resource that the assistance group is unable to sell for a return of at least one thousand five hundred dollars shall be exempt. This paragraph does not apply to financial instruments such as stocks, bonds, and negotiable financial instruments. An assistance group shall not divide a single resource for the purpose lessening the return and causing the resource to be exempt. Any dividing of property solely to obtain an exemption under this paragraph shall be subject to the transfer of resources provisions as defined in rule 5101:4-4-09 of the Administrative Code.
  - (17) Individual development accounts regardless of their funding source.
- (B) How are commingled exempt resources handled?
- (1) Exempt resources that are kept in a separate account that are not commingled with other non-exempt resources shall retain their resource exemption for an unlimited period of time.
  - (2) The resources of a students and self-employed assistance group groups that are exempt and are commingled with non-exempt funds shall retain their exemption for the period of time ~~over which that~~ they have been prorated as income.
  - (3) All other exempt resources that are commingled with non-exempt funds shall retain their exemption for six months from the date of commingling. After six months from the date of commingling, all funds in the commingled account shall be counted as a resource.

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5101:4-4-07

**Food assistance: special resource situations.**

## (A) How are jointly owned resources counted?

- (1) Resources owned jointly by separate assistance groups shall be considered available in their entirety to each assistance group, unless the assistance group can demonstrate that the resources are inaccessible to the applicant assistance group. When the assistance group can demonstrate that it has access to only a portion of the resource, the value of that portion of the resource shall be counted toward the assistance group's resource level. The resource shall be considered totally inaccessible to the assistance group when the resources cannot be practically subdivided and the assistance group's access to the value of the resource is dependent on the agreement of the joint owner who refuses to comply.
- (2) For purposes of this provision, ineligible aliens or disqualified individuals residing with the assistance group shall be considered assistance group members; non assistance group members shall be considered separate from other assistance group members.
- (3) Resources shall be considered inaccessible to persons residing in shelters for battered persons and children when the resources are jointly owned by such persons and by members of their former assistance group and the shelter resident's access to the value of the resources is dependent on the agreement of a joint owner who still resides in the former assistance group.

## (B) How are nonrecurring lump-sum payments treated?

- (1) A nonrecurring lump-sum payment, money received at one time that is not expected to reoccur, or payments ~~which that~~ are not related to any time period such as death benefits or inheritance, shall be counted as resources in the month received, unless specifically excluded from consideration as a resource by other federal laws.
- (2) Upon obtaining information that an assistance group has received a nonrecurring lump-sum payment, the county agency shall review the case file in order to determine when the amount received in addition to the amount of resources listed on the application will exceed the resource limit for the particular assistance group. When the amount does not exceed the limitation, the case file is noted to document the information received. No further action is required unless the assistance group must be notified in accordance with the procedures for a reported change. When the total amount exceeds the allowable resource limitation, the assistance group must be notified and given an opportunity to update its entire resource statement. When it declines to do so or the amount of

resources still exceeds the limit, the county agency shall take action to terminate the assistance group's supplemental nutrition assistance program benefits.

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