



**OCT 14 2010**

**United States  
Department of  
Agriculture**

Food and  
Nutrition  
Service

3101 Park  
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Alexandria, VA  
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**SUBJECT:** SNAP -- Extension of Standard Utility Allowance (SUA) Waiver for  
Certain States

**TO:** Regional Directors  
Supplemental Nutrition Assistance Program (SNAP)  
All Regions

Due to the impact on SNAP benefits resulting from drastically fluctuating energy prices, the Food and Nutrition Service (FNS) is extending the one-time blanket SUA waiver for an additional 3 months to certain States that would otherwise be ineligible for the waiver in fiscal year (FY) 2011.

On August 18, 2009, FNS issued a one-time blanket waiver for FY 2010 that permitted States to waive the annual update of their SUAs required by SNAP regulations at 7 CFR 273.9(d)(6)(iii) if the update would result in a decrease to households whose circumstances remain constant. Because energy prices have remained low, FNS extended the waiver on August 6, 2010, only to those States that had not taken advantage of the waiver previously. However, some of the States that had taken the waiver in the first year (FY 2010) found that their FY 2011 SUAs were greatly reduced, resulting in reduced benefits and hardship for many households. Requests were made for an extension of the waiver for these States.

In consideration of these expressed concerns, FNS is amending the August 6, 2010, guidance to permit States that applied the waiver in FY 2010 to extend their SUAs for an additional 3 months. Features of the 3-month waiver extension are:

- Eligibility for the 3-month waiver extension is limited to those States that applied the waiver in FY 2010 and have a decreased SUA for FY 2011. States in this category may maintain their 2010 SUAs for an additional 3 months.
- This extension covers the 3 months from the point in time that an eligible State's SUA is normally implemented. For example, a State that was scheduled to implement a decreased SUA amount on October 1, 2010, may delay implementation of the SUA update through December 31, 2010. Although most States update their annual SUAs on a Federal fiscal year basis (from October 1 to September 30), some States use another 12 month cycle such as calendar year or State fiscal year. The 3-month extension will apply to eligible States that use any of these alternate annual cycles. Thus, for a State that implements its annual SUA on January 1, 2011, this extension will allow the State to delay implementing its 2011 SUA until April 1, 2011.

Regional Directors

Page 2

- The 3-month extension is an option for State agencies and is not mandatory. However, States must notify their regional office if they choose to implement this extension.
- If a State chooses to exercise the 3-month extension but has already made a system change for FY 2011 that results in a decreased SUA amount, the State must provide a restoration of lost benefits consistent with Federal Regulations at 7 CFR 273.17.
- FNS recognizes that some States may have previously adjusted benefit levels for FY 2011. As a result, FNS recognizes that some States that wish to implement the 3-month waiver extension may need to make system changes in order to implement the change. Use of either the SUA based on the waiver or a lower SUA based on more current price data will be considered accurate in conducting QC reviews. In order for the SUA based on the waiver to be considered correct, the State agency must advise the regional office that it has adopted the extension. Errors resulting from incorrect implementation of either SUA would be handled under normal review procedures.

In the months ahead, please continue to work with your States that have reduced SUAs to identify alternative methodologies that could be used to reduce the extent of the SUA decrease.

If you have any questions, please contact Angela Kline at [Angela.Kline@fns.usda.gov](mailto:Angela.Kline@fns.usda.gov) or call (703) 305-2495.



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