

extended certification period the household must be sent a Notice of Expiration and must be recertified before being eligible for further food stamp assistance, even if the PA/GA redetermination is not set to expire. This procedure may also be used to align a household's PA/GA and food stamp certification periods if those certification periods are no longer aligned as a result of the household's failure to comply with the PA/GA redetermination requirements.

(ii) Except as specified in paragraph (f)(3)(iii) of this section, State agencies may assign households food stamp certification periods that expire the month following the household's required PA/GA redetermination, provided the food stamp certification period does not exceed 1 year. If a PA/GA household has not had its PA/GA redetermination by the end of the 11th month following its initial certification or its last redetermination for food stamps, the State agency shall send the household a notice of expiration of its food stamp certification period and recertify the household in accordance with the provisions of § 274.14 of this chapter.

(iii) State agencies which have a monthly reporting system and, therefore, allow more than 1 year to elapse before redetermining their PA/GA cases, but which can predict with certainty in which month the PA/GA redetermination will take place, may assign PA/GA food stamp households definite food stamp certification periods that expire at the end of the month following the month in which the PA/GA redetermination is scheduled. If for any reason the PA/GA redetermination is not made by the end of the month for which it was scheduled, the State agency shall send the household a notice of expiration of its food stamp certification period and recertify the household in accordance with the provisions of § 274.14 of this chapter.

(iv) If a household reports a change in circumstance for PA/GA, the State agency may review the household's food stamp eligibility at the same time. The household will be required to submit a recertification form for food stamps and to undergo a face-to-face interview. If the household is determined eligible, its old certification period shall be terminated and a new period not to exceed 12 months shall be assigned.

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8. In § 273.11.

a. The heading of paragraph (b) is revised;

b. The introductory text of paragraph (b)(1)(ii) is revised.

c. Paragraph (b)(1)(ii)(B) is amended by removing the period at the end of the paragraph and adding in its place a semicolon and the word "or".

d. A new paragraph (b)(1)(ii)(C) is added;

e. A new paragraph (b)(2) is added.

The revisions and additions are as follows:

§ 273.11 Action on Households with Special Circumstances.

\* \* \* \* \*

(b) *Households with income from boarders and day care.* (1) *Household with boarders.* \* \* \*

(ii) *Cost of doing business.* In determining the income received from boarders, the State agency shall exclude the portion of the boarder payment that is a cost of doing business. Provided that the amount allowed as a cost of doing business shall not exceed the payment the household receives from the boarder for lodging and meals, the cost of doing business shall be equal to one of the following:

\* \* \* \* \*

(C) a flat amount or fixed percentage of the gross income, provided that the method used to determine the flat amount or fixed percentage is objective and justifiable and is stated in the State's food stamp manual. However, if the applicant or recipient requests use of the verified actual amount, the State agency shall use the actual amount.

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(2) *Income from day care.* Households deriving income from day care may elect one of the following methods of determining the cost of meals provided to the individuals:

(i) Actual documented costs of meals;

(ii) A standard per day amount based on estimated per meal costs; or

(iii) Current reimbursement amounts used in the Child and Adult Care Food Program.

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9. In § 273.13, a new paragraph (b)(15) is added to read as follows:

§ 273.13 Notice of adverse action.

\* \* \* \* \*

(b) *Exemptions from notice.* \* \* \*

(15) The household's address is unknown and mail directed to it has been returned by the post office indicating no known forwarding address. The household's benefits must, however, be made available to it within five working days if the household contacts the State agency during the payment period covered by a returned benefit.

10. § 273.14 is revised to read as follows:

§ 273.14 Recertification

(a) *General.* No household may participate beyond the expiration of the certification period assigned in accordance with § 273.10(f) without a determination of eligibility for a new period. The State agency must establish procedures for notifying households of expiration dates, providing recertification forms, scheduling interviews, and recertifying eligible households prior to the expiration of certification periods. Households must apply for recertification and comply with interview and verification requirements.

(b) *Recertification process.*

(1) *Notice of expiration.*

(i) The State agency shall provide households certified for one month or certified in the second month of a two-month certification period a notice of expiration (NOE) at the time of certification. The State agency shall provide other households the NOE before the first day of the last month of the certification period, but not before the first day of the next-to-the-last month. Jointly processed PA and GA households need not receive a separate food stamp notice if they are recertified for food stamps at the same time as their PA or GA redetermination.

(ii) Each State agency shall develop a NOE. A model form (Form FCS-439) is available from FCS. The NOE must contain the following:

(A) the date the certification period expires;

(B) the date by which a household must submit an application for recertification in order to receive uninterrupted benefits;

(C) the consequences of failure to apply for recertification in a timely manner;

(D) notice of the right to receive an application form upon request and to have it accepted as long as it contains a signature and a legible name and address;

(E) information on alternative submission methods available to households which cannot come into the certification office or do not have an authorized representative and how to exercise these options;

(F) the address of the office where the application must be filed;

(G) the household's right to request a fair hearing if the recertification is denied or if the household objects to the benefit issuance;

(H) notice that any household consisting only of Supplemental Security Income (SSI) applicants or recipients is entitled to apply for food stamp recertification at an office of the Social Security Administration;