§ 247.20 Program violations.

(a) What are program violations in CSFP? Program violations are actions taken by CSFP applicants or participants, or the parents or caretakers of applicants or participants, to obtain or use CSFP benefits improperly. Program violations include the following actions:

1. Intentionally making false or misleading statements, orally or in writing;
2. Intentionally withholding information pertaining to eligibility in CSFP;
3. Selling commodities obtained in the program, or exchanging them for non-food items;
4. Physical abuse, or threat of physical abuse, of program staff; or
5. Committing dual participation.

(b) What are the penalties for committing program violations? If applicants or participants, or the parents or caretakers of applicants or participants, commit program violations, the State agency may require local agencies to disqualify the applicants or participants for a period of up to one year. However, if the local agency determines that disqualification would result in a serious health risk, the disqualification may be waived. For program violations that involve fraud, the State agency must require local agencies to permanently disqualify a participant who commits three program violations that involve fraud. For purposes of this program, fraud includes:

1. Intentionally making false or misleading statements to obtain CSFP commodities;
2. Intentionally withholding information to obtain CSFP commodities;
or
3. Selling CSFP commodities, or exchanging them for non-food items.

(c) What must the local agency do to notify the individual of disqualification from CSFP? The local agency must provide the individual with written notification of disqualification from CSFP at least 15 days before the effective date of disqualification. The notification must include the effective date and period of disqualification, the reason for the disqualification, and a statement that the individual may appeal the disqualification through the fair hearing process, in accordance with §247.33(a).

(Approved by the Office of Management and Budget under control number 0584–0293)

§ 247.21 Caseload assignment.

(a) How does FNS assign caseload to State agencies? Each year, FNS assigns a caseload to each State agency to allow persons meeting the eligibility criteria listed under §247.9 to participate in the program, up to the caseload limit. To the extent that resources are available, FNS assigns caseload to State agencies in the following order:

1. Base caseload. The State agency may not receive base caseload in excess