

## TWO-YEAR FINANCIAL INDEPENDENCE *(Updated December 1, 2009)*

The intent of the two-year requirement is to encourage people, particularly young adults, to achieve independence through employment or education and decrease their reliance on income assistance.

### STEP 1

Complete HSD3267

### STEP 2

Is the applicant exempt?

*The applicant may be exempted from meeting the 2 years of financial independence requirements by legislation.*

Determine if the applicant meets any of the categories exempted, by legislation, from the requirement to meet the 2 years of financial independence test.

EA Regulation, Section 18(3), exempts applicants who:

- have not reached the age of 19;
- are pregnant;
- have a medical condition that, in the opinion of the minister,
  - will prevent the applicant from working for at least the next 30 days, or
  - has prevented the applicant from working for a total of at least six months of the 2 years immediately preceding the date of the applicant's submission of the application for income assistance (part 2) form;
- have dependent children;
- have a child in the home of a relative;
- have a foster child;
- were supported by an employed spouse for at least 2 years;
- were supported by an employed spouse for a portion of a 2-year period and met a requirement of section 8 (1) of the *Act* for the balance of the 2-year period;
- were incarcerated in a lawful place of confinement for at least 6 months of the 2-year period immediately preceding the date of application for income assistance;
- were in the care of a director under the *Child, Family and Community Service Act* or who had an agreement with a director under section 12.2 of the *Child, Family and Community Services Act* until the applicant's 19<sup>th</sup> birthday;
- have
  - separated from an abusive spouse, or
  - changed place of residence to flee an abusive relative, other than a spouse, within the past 6 months if, in the minister's opinion, ability to work is consequently impaired;
- have been awarded a 2-year diploma or certificate, a bachelor's degree or a post-graduate degree from a post-secondary institution;
- have persistent multiple barriers to employment;
- reside with and care for a spouse who has a physical or mental condition that, in the minister's opinion, precludes the applicant from leaving home for the purposes of employment.
- are providing care for a child under an agreement referred to in section 8 of the *Child, Family and Community Service Act*;
- are providing care for a child under an agreement referred to in section 93 (1)(g) (ii) of the *Child, Family and Community Service Act*.
- have PWD status

### STEP 3

Is the applicant exempt?

*By legislation, supervisors may approve exemption to the requirement to meet the 2 years of financial independence due to circumstances beyond an applicant's control.*

Due to factors beyond an applicant's control, the applicant **has been prevented from searching for, accepting or continuing employment and** could not have achieved two consecutive years of *financial independence* **and** the **family unit** would experience undue hardship if eligibility were denied.

Factors beyond an applicant's control could include the following examples:

- long term incapacitating physical, social or mental health problems
- long term dependency upon government assistance
- chronic medical problems or addictions
- extended periods of caring for dependent or disabled family members
- previously restricted to living in a community, or country, where the economic and/or social conditions prohibited or precluded the possibility of two consecutive years of financial independence

Exemption	Examples of Documents or Evidence
Medical conditions, including pregnancy	Note or letter from, or a telephone conversation with, a <i>medical practitioner or nurse practitioner</i> confirming the medical condition and duration
Homemaker supported by spouse for at least two years or a portion thereof	Income tax statements, tenancy documents, shared mortgage/rental agreements
Incarcerated for at least six months during the two years immediately prior to application	Documents or letters from the corrections institution, or a telephone conversation with the institution, confirming the period of incarceration
In the care of, or had a youth agreement with, MCFD upon turning 19 years of age	E-mail or letter from the social worker, or a telephone conversation with an official of the relevant organization, confirming eligibility
Separated from an abusive spouse or fleeing from abuse	Confirmation from social worker, police, or transition house
Granted a post-secondary certificate, diploma, or degree	Certified copy of the educational credential (diploma, degree, certificate)

<p><b>STEP 4</b></p> <p><i>Was the client financially independent for two consecutive years?</i></p>	<p>Determine if the applicant or at least one member in the family unit has been independent for at least two consecutive years prior to application. The years do not need to be calendar years.</p> <p>Financial independence =</p> <p style="padding-left: 40px;">Employed for 840 hours in each of the consecutive years</p> <p style="text-align: center;"><b>AND / OR</b></p> <p style="padding-left: 40px;">Received \$7,000.00 in each of the consecutive years</p>
<p><b>STEP 5</b></p> <p>Verification</p>	<p>Review documentation provided by the client. Verification documentation may include;</p> <ul style="list-style-type: none"> <li>• Pay records or letter from employer(s) verifying employment income and period of employment</li> <li>• Records of Employment</li> <li>• T4 slips or Canada Revenue Agency Notice of Assessment for the required time period</li> <li>• Canada Pension Plan (CPP) Statement of Contributions <ul style="list-style-type: none"> <li>○ may take 2-3 weeks</li> <li>○ Ministry staff on behalf of the applicant (with written or verbal consent) may contact HRSDC online to request a CPP Statement of Contributions to be mailed to the applicant.</li> </ul> </li> </ul>
<p><b>STEP 6</b></p> <p>Applicant unable to obtain verification</p>	<p>Where there are indications that an applicant has been <i>financially independent</i> but has exhausted all avenues for direct or indirect verification, a signed declaration from the applicant is acceptable.</p> <p>A declaration letter must be signed, dated and outline details of how the applicant meets the financial independence requirement such as;</p> <ul style="list-style-type: none"> <li>• previous employment history (earnings and duration)</li> <li>• details of attempts to obtain verification documents</li> <li>• The original declaration is placed on the physical file and a copy provided to the applicant.</li> <li>• Signed declarations for earnings from illegal activities are not accepted</li> <li>• Earnings not reported for income tax purposes may be accepted <ul style="list-style-type: none"> <li>○ Applicants who declare income not reported for income tax purposes should be monitored to ensure the practice of not reporting earnings does not continue when requesting continued assistance</li> </ul> </li> </ul>
<p><b>REAPPLICATION</b></p>	<p>Applicants previously granted assistance as a result of discretion provided in policy must again meet the two-year financial independence requirement</p>
<p><b>MARITAL/SPOUSAL BREAKDOWN</b></p>	<p>When files are split because of marital or spousal breakdown, neither individual has to reapply or meet the <i>financial independence</i> requirement unless there is at least a two-month interruption in assistance.</p>
<p><b>OLR → Two-Year Financial Independence → Policy</b></p> <p><b>Staff:</b> <a href="https://gww.hsd.gov.bc.ca/intranet/meia/online_resource/verification_and_eligibility/two_year/current/policy.html">https://gww.hsd.gov.bc.ca/intranet/meia/online_resource/verification_and_eligibility/two_year/current/policy.html</a></p> <p><b>Public:</b> <a href="http://www.gov.bc.ca/meia/online_resource/verification_and_eligibility/two_year/policy.html">http://www.gov.bc.ca/meia/online_resource/verification_and_eligibility/two_year/policy.html</a></p>	