

**Prospective Budgeting of Variable Income**

*Variable income* (see OAR [461-001-0000](#)) is used as follows in prospective budgeting (see OAR [461-001-0000](#)) and *eligibility* (see OAR [461-001-0000](#)) so that the anticipated amount is the same for each month, except as specified in OAR [461-150-0060](#) and section (6) of this rule:

- (1) For income paid more than once per month, determine an average amount per pay period in accordance with sections (2) to (4) of this rule. The average amount is then converted to a monthly amount as follows, if paid --
  - (a) Twice per month, multiply by 2;
  - (b) Every other week, multiply by 2.15; or
  - (c) Once per week, multiply by 4.3.
- (2) For variable earned income based on an hourly wage when the past is representative, monthly income is determined by calculating an average number of hours per pay period, then these hours are multiplied by the hourly wage and converted to a monthly amount under section (1) of this rule.
- (3) For variable earned income involving various rates of pay (overtime, shift differential, tips) when the past is representative, monthly income is determined by calculating the average income per pay period, then the average income is converted to a monthly amount under section (1) of this rule.
- (4) For variable earned or unearned income when the past is representative and income cannot be calculated under section (2) or (3) of this rule, monthly income is determined by averaging the income over --
  - (a) A representative period of months by totaling the income for those months and dividing by the number of months used; or

- (b) A representative number of pay periods and converting to a monthly amount under section (1) of this rule.
- (5) For variable earned and unearned income when the past is not representative of the income the *financial group* (see OAR [461-110-0530](#)) will receive during the eligibility period, the client and the Department jointly determine the anticipated income.
- (6) In the OSIP, OSIPM, and QMB programs:
  - (a) In the *initial month* and for any months of retroactive eligibility (see OAR [461-135-0875](#)):
    - (A) When a new source of *variable income* begins in the initial month or retroactive months, the amount counted is the actual amount received or the amount expected to be received.
    - (B) Except as provided for in paragraph (A) of this subsection, *variable income* is converted and averaged in accordance with sections (1) to (5) of this rule.
  - (b) In each *ongoing month* (see OAR [461-001-0000](#)), *variable income* is converted and averaged in accordance with sections (1) to (5) of this rule.
- (7) In the SNAP program, a *financial group* meeting the definition of "destitute household" in OAR [461-135-0575](#) is not eligible to use the income averaging option for the *initial month* (see OAR [461-001-0000](#)) of eligibility or the first month of a new *certification period*. For a destitute *financial group*, income for the *initial month* of eligibility and the first month of a *certification period* is determined under OAR [461-150-0100](#), thereafter, the *financial group* is subject to sections (2) to (5) of this rule.

Statutory/Other Authority: ORS [409.050](#), [411.060](#), [411.070](#), [411.404](#), [411.816](#), [412.014](#), [412.049](#), [413.085](#), [414.685](#)

Statutes/Other Implemented: ORS [409.010](#), [411.060](#), [411.070](#), [411.404](#), [411.816](#), [412.014](#), [412.049](#)

## [Previous Rules](#)

This website displays unofficial previous administrative rule versions with an effective date of January 1, 2014 and after. For earlier administrative rule versions, submit a public records request to the [Secretary of State public records request website](#).