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**United States
Department of
Agriculture**

October 29, 2005

Food and
Nutrition
Service

SUBJECT: Treatment of Family Subsistence Supplemental Allowance and National Flood Insurance Program payments in Income Eligibility Determinations for Food and Nutrition Service Programs

3101 Park
Center Drive
Alexandria, VA
22302-1500

TO: Regional Administrators
All Regions

State Cooperators
All FNS Programs

This memorandum provides guidance to State administrators in making household eligibility determinations in all nutrition assistance programs administered by the Food and Nutrition Service (FNS). Specifically, this memorandum addresses:

- Armed Forces Family Subsistence Supplemental Allowance (AFSSA) payments provided to the families of service members by the Department of Defense (DoD); and
- National Flood Insurance Program (NFIP) payments made under the National Flood Insurance Act of 1968, as amended by Public Law 109-64, enacted on September 20, 2005.

AFSSA payments

Since May 2001, DoD has made AFSSA payments to certain members of the Armed Forces and their families. The AFSSA is designed to bring a household's income up to 130 percent of the Federal poverty standard, and thus to decrease the reliance on Food Stamps for affected members and their families. The amount of the AFSSA, based on household size and income, may not exceed \$500 per month. Qualifying members that receive AFSSA may reside Stateside or overseas. The statute governing the AFSSA program does not prohibit members from receiving benefits under AFSSA and the Food Stamp Program at the same time.

Section 602 of Public Law 108-375, the Ronald W. Reagan National Defense Authorization Act for Fiscal Year (FY) 2005, excluded FSSA income from consideration in determining benefits for households or children in nutrition assistance programs authorized under the Richard B. Russell National School Lunch Act, or the Child Nutrition Act of 1966, as amended. These Programs include the National School Lunch Program, the School Breakfast Program, the Special Milk Program, the Summer Food Service Program, the Child and Adult Care Food Program, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Therefore, in determining income eligibility for households or children under any of these Programs through September 30, 2006, State agencies must exclude the FSSA payment in determining income eligibility. Please note that Public Law 108-375 amends a standing provision that is not tied specifically to the appropriations process. Therefore, the amendment is effective until the provision expires at the end of Fiscal Year 2006, unless further legislation is enacted to extend the provision.

NFIP Payments

Public Law 109-64, enacted September 20, 2005, amends the National Flood Insurance Act of 1968. It states that payments made under the NFIP for flood mitigation activities shall not be counted as income or resources of the owner of the property when determining eligibility for any Federal means-tested program. The Federal Emergency Management Agency awards grants to States and communities, which distribute the funds to individuals and businesses for activities that reduce the risk of repetitive flood damage. Therefore, in determining income eligibility for the any FNS Program, State agencies must exclude payments received by property owners under the NFIP.

State agencies with questions concerning this memorandum should contact their FNS regional office. Regional offices with questions concerning this memorandum should contact the appropriate Division director or staff member within Headquarters.

[signed]

ROBERTO SALAZAR
Administrator