



United States
Department of
Agriculture

August 30, 2005

Food and
Nutrition
Service

SUBJECT: U.S. Armed Forces Family Supplemental Subsistence Allowance -
Excluded from Income Consideration

3101 Park
Center Drive
Alexandria, VA
22302-1500

TO: Special Nutrition Programs
All Regions

State Agencies
Child Nutrition Programs
All States

Since May 2001, the Department of Defense has paid certain members of the Armed Forces and their families a Family Subsistence Supplemental Allowance (FSSA). The FSSA is designed to bring a household's income up to 130% of the Federal poverty line and decrease the reliance on Food Stamps for affected members and their families. The amount of the FSSA, based on household size and income, may not exceed \$500 per month. Previously, for purposes of Child Nutrition Programs (CNP) eligibility determination, the FSSA payments were counted as earned income for households (see Q and A 2 on page 37 of the August 2001, *Eligibility Guidance for School Meals Manual*). However, in Section 602 of the *Ronald W. Reagan National Defense Authorization Act* for Fiscal Year 2005, Public Law 108-375, Congress specified that in the event that counting the FSSA as income would put a family over the CNP income limits, the family must be considered eligible to receive CNP benefits. Public Law 108-375 amends a standing provision that is not tied specifically to the appropriations process; therefore this amendment is effective until the provision expires at the end of Fiscal Year 2006.

Therefore, in accordance with Public Law 108-375, any FSSA that a household receives must not be treated as income in determining eligibility for free and reduced price meals under any of the CNPs. This memorandum supersedes the policy for FSSA in the eligibility guidance for applications taken in Fiscal Years 2005 and 2006.

Please contact Rosemary O'Connell at 703-305-2590 if you have questions.

Original Signed

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