

May 19, 1997

SUBJECT: Memorandum for Child Nutrition State Directors Concerning the
Temporary Assistance For Needy Families (TANF) Program

TO: Regional Directors
Special Nutrition Programs
All Regions

Attached is a memorandum that, as a result of specific statutory requirements and review by the General Counsel's office, must be issued, without change, to your State agencies. The memorandum explains the circumstances under which a State agency may use the automatic eligibility provisions for free school meals and milk for children from households who are receiving assistance under the State's TANF Program. The memorandum also discusses TANF as it affects reimbursement and eligibility under the Child and Adult Care Food Program and the Summer Food Service Program.

Section 9 of the National School Lunch Act limits automatic eligibility for free meals and milk to children who are members of food stamp households or members of households receiving assistance under TANF in a State in which the TANF eligibility standards are comparable to or more restrictive than the standards under the Aid to Families with Dependent Children Program on June 1, 1995 (or the standards most recently used prior to the implementation of TANF). Because States have a lot of latitude in the way they administer TANF, we are asking State agencies to contact the State agency responsible for TANF to assist in making the comparison. They are also to notify your office of the results of this comparison and provide an explanation of the documentation used to make the comparison and determination. Automatic eligibility for TANF households may be allowed only in States in which the TANF standards are in accordance with the statute and for which documentation has been provided to your office.

An electronic copy of the attached memorandum is being provided to you via cc:Mail so that you may copy the memorandum onto your letterhead, include a regional office contact person, if you wish, and insert your signature block. Please contact us if you have any questions.

/ORIGINAL SIGNED/

ROBERT M. EADIE
Acting Director
Child Nutrition Division

Attachment

cc: OGC (w/attachment)

SUBJECT: Automatic Eligibility of Children From Families Receiving Assistance Under the State Temporary Assistance for Needy Families Program

TO: State Directors
Child Nutrition Programs
All States

In accordance with Section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, effective July 1, 1997, all States must have implemented a block grant program to replace the Aid to Families with Dependent Children (AFDC), Job Opportunities and Basic Skills (JOBS) and Emergency Assistance programs under part A of title IV of the Social Security Act. Section 109(g) of PRWORA also made a conforming amendment to Section 9(b)(2)(C)(ii)(II) of the National School Lunch Act (42 U.S.C. §1758(b)(2)(C)(ii)(II)) to remove references to AFDC and replace them with references to the new program. The new program that is replacing AFDC, JOBS and the Emergency Assistance programs is generally known as Temporary Assistance for Needy Families (TANF), although some States call the program by another name. PRWORA gives States flexibility to design their TANF programs in ways that promote work, responsibility and self-sufficiency and which strengthen families. Therefore, there may be great variations in the design and operation of the TANF Program from State to State.

Prior to PRWORA's amendments, children who were part of AFDC assistance units in States where the standard of eligibility did not exceed 130 percent of the poverty guidelines were categorically eligible for free school meals under the National School Lunch Program (NSLP) and School Breakfast Program (SBP), free meals at centers in the Child and Adult Care Food Program (CACFP), meals claimed for providers' own children in day care homes in the CACFP, meals served at camps and enrolled sites in the Summer Food Service Program (SFSP), and free milk served in the Special Milk Programs (SMP). To establish categorical eligibility, AFDC assistance units were permitted to complete an abbreviated household application which allowed them to list their AFDC case number in lieu of detailed income information. Additionally, school officials were permitted to determine free meal eligibility for children in the NSLP and SBP based on information obtained directly from the local agency administering AFDC.

The amendments under PRWORA require that in order for children in a TANF assistance unit to be automatically eligible for free school meals, free meals in centers in the CACFP, reimbursable meals as providers' own children in day care homes in the CACFP, meals at camps and enrolled sites in the SFSP and free milk in the SMP, the standards under the respective State's TANF program must be "comparable to or more restrictive than those in effect [for AFDC] on June 1, 1995," (42 U.S.C. §1758(b)(2)(C)(ii)(II)). In these States, the change from AFDC to the TANF program does not change current categorical eligibility procedures for households receiving assistance under TANF or the procedures for school officials making eligibility determinations via direct certification.

State agencies will be responsible for determining whether the TANF eligibility standards in their respective States are comparable to or more restrictive than those in effect for AFDC in that State on June 1, 1995. We recommend that you contact the State agency responsible for the TANF program as soon as possible and ask for their assistance in making this determination. They may already have made comparisons, since other Federal assistance programs may also require similar information. A comparison of the programs should include, but need not be limited to, the income standards for AFDC on June 1, 1995, and the definition of income, including exclusions and deductions.

The same requirements set forth above for the School Nutrition Programs also apply to the SFSP, to centers participating in the CACFP, and to providers documenting their children's eligibility for tier I meal reimbursement or their own eligibility for tier I status. However, due to the expanded categorical eligibility provision for tier II day care homes participation in the CACFP, as contained in the National School Lunch Act, (42 U.S.C. §1766(f)(3)(A)(iii)(III)(bb)), a State's examination of TANF eligibility may be different for tier II day care homes in the CACFP. Specifically, children enrolled in tier II day care homes may be considered categorically eligible for tier I rates of reimbursement if the child's household participates in "a Federally or State supported child care or other benefit program with an income eligibility limit that does not exceed" 185 percent of poverty. Therefore, for the purposes of establishing categorical eligibility for children in tier II day care homes, any State which determines that its TANF standards are not as restrictive as those in effect on June 1, 1995, should determine whether the current TANF income standards are at or below 185 percent of poverty. If the current standards are at or below 185 percent of poverty, regardless of whether the standards have increased or decreased since June 1, 1995, the State's TANF program may be considered a State categorically eligible program for benefits in tier II day care homes.

Please inform us of the results of your review and provide an explanation of the documentation used to make the comparison and determination. This need not be a lengthy document, but should provide sufficient information to enable the Secretary of Agriculture, as required by statute, to confirm the State agency's conclusion that the State standards for TANF are comparable to or more restrictive than those for AFDC on June 1, 1995, in accordance with the statute. Please submit this information as soon as possible if you wish to use these provisions for School Year 1997-98. Only States that provide the information to the Food and Consumer Service and in which the State standards for TANF are comparable to or more restrictive than those for the AFDC program on June 1, 1995, may allow TANF households to provide a TANF case number in lieu of detailed household size and income information on the free and reduced price meal or milk application in all of the Child Nutrition Programs, and apply the direct certification procedures for these households in the School Nutrition Programs.

Please contact us if you have any questions.

Regional Director