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Food and Nutrition Service
Mountain Plains Region
1244 Speer Boulevard, Suite 903
Denver, Colorado 80204-3585

MAY 16 2001

Reply to CACFP-645
Attn. of: SFSP-427
SP-01-08

Subject: Treatment of U.S. Armed Forces Family Subsistence Supplemental Allowances (FSSA) for Purposes of Determining Eligibility in the Child Nutrition Programs (CNP)

To: STATE AGENCY DIRECTORS - (Child Nutrition Programs)

Colorado ED, Colorado DPHE, Iowa, Kansas, Missouri ED, Missouri DH, Montana OPI, Montana DPHHS, Nebraska, North Dakota, South Dakota, Utah and Wyoming ED

The Floyd D. Spence National Defense Authorization Act of Fiscal Year 2001 (Public Law 106-398) requires the Armed Forces to pay certain low-income service members and their families a family subsistence allowance not to exceed $500 per month so they will not have to rely on food stamps. The Armed Forces will pay the FSSA payment to eligible service members beginning June 1, 2001.

For CNP eligibility determination purposes, the FSSA payments must be counted as earned income to the household. There is no legislative authority that would permit the exclusion of FSSA payments from consideration as income in the CNP. We have been advised that the Leave and Earnings Statement for the Marines will identify the payment as "FSSA". The Leave and Earnings Statement for the Army, Navy and Air Force will temporarily identify the payment as "Saved Pay" and subsequently be changed to identify the payment as "FSSA". Please note that some military families receiving FSSA payments may still be income eligible for free or reduced price meal benefits. Other military families receiving FSSA payments also may be certified to receive food stamp benefits (despite the FSSA payment); these families would be categorically eligible for free meals in the CNP.

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