

UNITED STATES DEPARTMENT OF AGRICULTURE
FOOD AND NUTRITION SERVICE
 ALEXANDRIA, VA 22302-1500

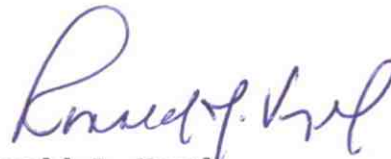
CHANGE TRANSMITTAL	
CHANGE NUMBER: 5	DIRECTIVE IDENTIFICATION AND NUMBER: FNS Handbook 501
DIRECTIVE TITLE: The Food Distribution Program on Indian Reservations	

This change issues the net monthly income standards for the Food Distribution Program on Indian Reservations (Exhibit M-3, effective June 1, 2007).

This change also adds reference to Exhibit M-3 wherever "Exhibit-M" appears in FNS Handbook 501.

PAGE CONTROL CHART

Remove Pages	Dated	Insert Pages	Dated
---	---	Exhibit M-3	5/2007
Page iii	8/2005	Page iii	5/2007
Page 4-1	8/2005	Page 4-1	5/2007
Page 4-8	8/2005	Page 4-8	5/2007
Page 4-15	3/2006	Page 4-15	5/2007



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Attachment

DISTRIBUTION: AD, F2, I	MANUAL MAINTENANCE INSTRUCTIONS: Retain and file Change Transmittal in front of directive until further notice. Remove and insert page(s) if applicable.	OPI: FDD-200	6/27/07
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**FOOD DISTRIBUTION PROGRAM ON INDIAN RESERVATIONS
NET MONTHLY INCOME STANDARDS FOR ALASKA
(Effective June 1, 2007)**

<u>Household Size</u>	<u>Income Limit</u>
1	\$ 1,250
2	1,604
3	1,959
4	2,313
5	2,667
6	3,024
7	3,378
8	3,732

Each additional member + \$355

Computation of Income Eligibility Standards - The income eligibility limits for each household size are based on the sum of the Food Stamp Program net monthly income limits and the food stamp standard deduction amounts used for Alaska.

Income Deductions - see 7 CFR 253.6(f)

Dependent Care Deduction - The current maximum allowable dependent care deduction is \$200 for each dependent child under 2 years of age, and \$175 for all other dependents.

Earned Income Deduction - Households with earned income are allowed a deduction of 20 percent of their earned income.

Medicare Part B Medical Insurance and Part D Prescription Drug Coverage Premiums - Households that incur the cost of Medicare Part B medical insurance and/or Part D prescription drug coverage premiums are allowed a deduction for the monthly cost of the premiums.

Child Support Deduction - Households that incur the cost of legally required child support to or for a non-household member are allowed a deduction for the amount of monthly child support paid.

EXHIBITS

- A Food Distribution Program on Indian Reservations Plan of Operation Guidance
- B Sample Copy of Form FNS-74
- B-1 Sample Copy of Form AD-1049
- C Sample Copy of SF-269
- C-1 Sample Copy of SF-269A
- D (Reserved)
- E Sample Copy of Form FNS-101
- F (Reserved)
- G Sample Copy of Form FNS-152
- H Principles for Determining Costs Applicable to Administration of the Food Distribution Program on Indian Reservations
- I Sample Copy of SF-424
- J (Reserved)
- K (Reserved)
- L (Reserved)
- M Food Distribution Program on Indian Reservations Net Monthly Income Standards for the Contiguous United States
- M-1 Food Distribution Program Sample Worksheet to Determine Household Claim
- M-2 Sample Demand Letter for Overissuance
- M-3 Food Distribution Program on Indian Reservations Net Monthly Income Standards for Alaska
- N Sample Copy of Form FNS-7
- O Food Distribution Program on Indian Reservations Monthly Distribution Guide Rates by Household Size
- P (Reserved)
- Q Sample Copy of Form FNS-52
- Q-1 Sample Copy of Form FNS-53
- R (Reserved)
- S Sample Copy of Form FNS-57
- T Sample Copy of Form KC-269-A
- U (Reserved)
- V-1 Stacking - Example No. 1
- V-2 Stacking - Example No. 2
- W Identification Card for USDA Donated Foods
- X Sample Issuance Receipt Card for USDA Donated Foods
- Y 7 CFR Part 277
- Z 7 CFR Part 3016

CHAPTER IV ELIGIBILITY CRITERIA

SECTION 1 - DETERMINING HOUSEHOLD ELIGIBILITY

4100 DETERMINING HOUSEHOLD ELIGIBILITY

The following steps will lead to the final eligibility determination of a household.

- A. Establish household composition (membership).
- B. Establish the household's residency on the reservation or status as an Indian Tribal household, if living in a near area.
- C. Determine if the household automatically meets the financial eligibility criteria requirements without testing resources and income (PA, GA, and SSI households).
- D. Determine if the nonassistance household meets financial eligibility criteria requirements:
 1. Test the household's net food distribution resources against the resources standards in paragraph 4400, below.
 2. Test the household's net food distribution income against the food distribution income standards (see Exhibit M for the contiguous United States and Exhibit M-3 for Alaska, attached) for the appropriate household size.

4101 **Determining Eligibility and Benefit Level for Households with a Disqualified Member(s)**

The disqualified member is not included when determining the household's size for purposes of assigning the level of commodities to be received by the household, or for purposes of comparing the household's net monthly income with the income eligibility standards. See paragraph 4730 for instructions on the handling of the income and resources of a disqualified household member.

