POLICY ALERT

Date: April 28, 2010
Reference: # SMP 2010-04
To: Special Milk Program (SMP) Contractors
Subject: Exclusion of Military Combat Pay for Income Eligibility Determinations
Effective Date: Immediately

TODD STAPLES, COMMISSIONER

Purpose


NOTIFY SMP contractors that Military Combat Pay must be excluded from income when determining eligibility for free milk in the SMP.

Implementation

Immediately

Procedure

Replace Item 4214.2 with the following:

Do not count any of the following as income:

- SNAP, TANF or Special Supplemental Nutrition Program for Women, Infants and Children (WIC) benefits;
- Loans, because they are only temporarily available and must be repaid;
- The value of in-kind compensation allowances (for example, military base housing, other subsidized housing, medical and dental services);
- Family Subsistence Supplemental Allowance;
- Agent Orange Compensation Exclusion Act;
- GI Bill (Veterans Educational Assistance Act of 1964);
- Housing allowance for household living on bases participating in the Military Housing Privatization Initiative. A list of military bases participating in this initiative can be accessed at http://www.acq.osd.mil/housing;
- Student financial assistance awarded to meet educational expenses (for example, grants and scholarships);
- Cash reimbursements paid to families for child care under the Child Care and Development Block Grant or the Temporary Assistance for Needy Families At Risk Child Care Program;
- Any Earned Income Tax Credit refunds/payments;
- Any Medicare prescription drug subsidy (also called transitional assistance) or negotiated prices on prescription drugs under the Medicare Prescription Drug, Improvement and Modernization Act of 2003.
- Rebate checks resulting from the economic stimulus act.

This Policy Remains in Effect Until Further Notice
Procedure continued

- **Military Combat Pay.** Combat pay is excluded if it is received in addition to the service member’s basic pay; received as a result of the service member’s deployment to or service in an area that has been designated as a combat zone, **and** not received by the service member prior to his/her deployment to or service in the designated combat zone*. As with other types of income commonly received by military personnel (such as the Basic Allowance for Housing or Basic Allowance for Subsistence payments), combat pay received by service members is normally reflected in the entitlements column of the military Leave and Earning Statement (LES). Combat pay is also referred to by the U.S. Department of Defense as "Hostile Fire Pay/Imminent Danger Pay" (HFP/IDP). The entry on the military Leave and Earnings Statements (LES) is "HFP/IDP" and may not say "combat pay", however they should be treated equally.

**NOTE:** United States military personnel who are deployed should be considered as family members living apart on a “temporary basis” for the purpose of determining household size. A deployed service member’s income made available by them or on their behalf to the household will continue to count as income.

*A combat zone is any area that the President of the United States designates by Executive Order as an area in which the U.S. Armed Forces are engaging or have engaged in combat.

Authorization

United States Department of Agriculture (USDA) Memo SP 06-2010.

Contact

If you have any questions please contact the School Operations section.