

AKH2O PROGRAM POLICY MANUAL

**STATE OF ALASKA DEPARTMENT
OF HEALTH DIVISION OF PUBLIC
ASSISTANCE**

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7000 INTRODUCTION AND DEFINITIONS

The AKH2O (water assistance) program is a federally funded program that provides emergency assistance to low-income households to prevent disconnection or provide assistance with reconnection of drinking and wastewater services.

AKH2O provides the financial assistance to help low-income households pay home water costs by:

- making a one-time payment or an extension of credit to water suppliers on behalf of eligible households.

AKH2O is available to households with income at or below 150% of the federal poverty income guidelines for Alaska. AKH2O is funded by the federal government through the LIHWAP block grant, which is administered by the U.S. Department of Health and Human Services, Administration for Children and Families (ACF), Office of Community Services (OCS), and Division of Energy Assistance (DEA). In Alaska, LIHEAP funds are administered by the Department of Health (DOH), Division of Public Assistance (DPA), and, in some areas, by tribal organizations under the authority of the Consolidated Appropriations Act of 2021 and American Rescue Plan. Each state is responsible for implementing and administering these regulations.

7000-1 RESPONSIBILITIES IN ADMINISTRATION

7000-1 A. RECORDS AND REPORTS

Certification records will be available for review or audit by ACF or the Department for a period of ten years from the date each uploaded record is closed in ILINX. Information recorded in ECOS remains available for review indefinitely. Certification records shall include applications for certification, including required forms; worksheets used in the computation of income for eligibility and the basis of issuance; documentation including verification methods used by the caseworker; copies of notices of adverse action and other notices sent to the household and responses thereto; actions related to the fair hearing process; fiscal adjustments, including claims, refunds, and restoration for lost benefits; and any other data which affects a household's eligibility or basis of issuance. Copy means either hard copy or a copy stored electronically.

7000-1 B. NONDISCRIMINATION

It is the policy of ACF and the State of Alaska, Department of Health, that program benefits shall be extended to all eligible households without regard to race, age, sex, color, handicap, religious creed, national origin, or political beliefs. Procedures for civil rights complaints are detailed in the Administrative Procedures Manual.

7000-1 C. AVAILABILITY OF PUBLIC INFORMATION

Regulations, Plan of Operations, federal procedures, the Alaska Water Assistance Manual, and supplemental instructions issued on policy and procedures are maintained by the Water Assistance Program in Juneau for examination by the public. The Alaska Water Assistance Policy Manual will also be available for examination by the public online at:

<https://health.alaska.gov/dpa/Pages/features/org/manuals.aspx>.

7000-1 D. DISCLOSURE AND USE OF INFORMATION

DPA restricts the disclosure and use of information obtained from AKH2O households to:

1. Persons directly connected with the administration or enforcement of water assistance services.
2. Employees of other federal assistance or federally assisted State means-tested programs for low-income individuals such as TANF, ATAP, Medicaid, SSI, and the School Meal Program.
3. Employees of the Comptroller General's Office for audit examination.
4. Officials of local, State, or federal law enforcement agencies to investigate alleged violations of AKH2O, if a written request is provided. If the officer provides the name and says the person is fleeing to avoid prosecution, custody, or confinement for a felony, is violating a condition of parole or probation, or has information related to a felony parole violation, we will provide the address, Social Security number, and photograph of the household member.
5. Persons directly connected with administration or enforcement of the State Title IV-D, Parent Locator Service (PLS) for Child Support Services Division (CSSD).
6. Employees of the State Department of Labor, Unemployment Insurance Benefit (UIB) Unit.
7. The Immigration and Naturalization Service (INS) when DPA verifies alien documentation through INS.

7000-1 E. VOLUNTEERS

Volunteers, or other persons not employed by DPA, may be used in outreach activities, assisting in program promotion, filing, and clerical duties. Volunteers may assist households in completing the application and forms and obtaining required verification. Volunteers may act as authorized representatives for households. Except for fee agents, volunteers may not conduct interviews or certify an eligible applicant household.

7000-1 F. QUALITY ASSESSMENT REVIEWS

Each season, water assistance cases are selected for review. The purpose of this review is to determine the accuracy of the eligibility and benefit determination.

7000-1 G. DOCUMENTATION

The goal of documentation is to establish a clear and complete record, so any person reading the documentation will understand what was done and why. Clear and complete documentation is the foundation of a positive supervisory or QA review, and an essential part of quality casework.

Documentation is a record of:

- Factors of eligibility verified and how they were verified
- Information used to determine eligibility and benefit amount, including:
 1. The source of the information
- The verification that supports the information
 1. The method used to convert income and expense information into monthly amounts
 2. Why this information was used
- Actions taken on a case and the reasons supporting those actions
- Contacts with the client, partner agencies, contractors/grantees, and third-party sources (collateral contacts)

7000-1 H. PRUDENT PERSON JUDGEMENT (PPJ)

The policies throughout this manual are intended to be a guide for water assistance certification and are broadly written within the limits imposed by regulations. They are intended to be sufficiently flexible to allow the caseworker to exercise reasonable judgement in executing responsibilities.

It is impossible to write policies that will cover every possible circumstance that a specific case may present. In this regard, the concept of the prudent person judgement (PPJ) can be helpful. The term refers to the reasonableness of the judgements made by an individual in a given situation. In making a certification decision, the caseworker will decide if the action is reasonable based on experience and knowledge of the program. When a caseworker exercises PPJ, they must document their decision and reasoning in the case note.

If a caseworker needs guidance with a specific case, they should consult with their office leadership. The issue might then be referred to the Policy Unit for clarification.

7000-2 **DEFINITIONS**

The following terms are used throughout the manual. Additional terms and definitions are located in the [Admin MS 101-1](#).

Alaska Poverty Level: The poverty guidelines for Alaska updated annually in the Federal Register by the U.S. Department of Health and Human Services under authority of Section 673 (2) of the Omnibus Budget Reconciliation Act of 1981.

Adult: A person aged 18 or older. If less than 18 years of age, a person who is not under parental control of another adult. Refer to definition of **parental control**.

Agency Error: An incorrect issuance of heating assistance caused by an error by agency staff in budgeting, invalid computer programming, misunderstanding of policy, etc.

Applicant: An individual who has submitted an identifiable application for heating assistance for the individual's household and who represents the household to the department.

Authorized Representative: A responsible adult knowledgeable about the household's circumstances designated in writing by a responsible member of the heating assistance household to act on its behalf. The authorized representative may apply for the household. Emergency authorized representatives must be designated in the same manner.

Boarder/Room Renter: One or more persons living in the same house and paying rent to the owner of the home who also lives in the house.

Budget Month: The month from which the income and expenses are used to calculate the household's water assistance benefit.

Categorical Eligibility: Households in which all members receive federally funded assistance, such as Temporary Assistance to Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), Low-Income Home Energy Assistance Program (LIHEAP) and/or Supplement Security Income (SSI) as already

identified by these other public assistance programs. EIS is used for the income portion of the water assistance benefit determination. If only a portion of the household members are on a public assistance program, the caseworker may use the income in EIS to verify said members' income but will still need to obtain proof of income for all other household members.

Child: A person under 18 years of age who is under the parental control of an adult.

Claim Determination: An action taken by the agency when a water assistance overpayment has occurred. A claim determination establishes the amount of overpayment and the client's liability for repayment.

Crisis: A situation, in which an applicant has been disconnected or is within 48 hours of being disconnected. The applicant must meet income criteria to qualify for expedited processing. Only one expedite request is allowed per season.

Disabled: A person with a physical or mental impairment, which limits one or more major life activities, as determined by eligibility for:

- Veterans' disability benefits,
- Social Security disability benefits,
- Supplemental Security Income (SSI),
- State of Alaska, Adult Public Assistance (APA) and its subtypes including but not limited to Interim Assistance (IA),
- Disability retirement from a government agency because of a disability considered permanent, or
- An annuity payment under the Railroad Retirement Act and either is determined to be eligible to receive Medicare or is determined to be disabled.

Division: The Division of Public Assistance in the Department of Health.

Earned Income: Income that is paid to a person to compensate them for work performed.

Elderly: A person aged 60 years or older.

Expedite: See "Crisis" and "Life Threatening Crisis" definitions.

Expenditure: The actual payment made for goods and services.

Fee Agent: A paid volunteer who is authorized by DPA to make applications available to households, assist applicants in completing the application and related forms, secure required verification, and forward completed applications and supporting documentation to the DPA office.

Fully Subsidized: Regular monthly financial assistance provided by a government, housing authority, or non-profit entity that covers the annual cost of water.

General Assistance (GA): Assistance payments from a state or local government program that help cover an eligible household's rent, clothing, and food needs, etc. General assistance is cash provided by vendor payment or direct payment to the household. This does not include "in-kind" assistance such as a donation of clothing or furniture items.

Gross Monthly Income: Total cash receipts before taxes, of both earned and unearned income, derived from any source by any member of the household in the calendar month before the date of receipt of the completed application. The division will prorate, or average, income from self-employed occupations over the 12-month period before the date of receipt of the completed application to determine the household's gross monthly self-employment income.

Head of Household: The first person listed on the application. This person is also referred to as the Primary Information Person (PI).

Water Assistance: Any financial assistance granted under the AKH2O Water Assistance Program.

Water Costs: An amount that the household pays for its own home water needs either directly, or indirectly through rent.

Homeless Individual: An individual who lacks a fixed and regular nighttime residence or an individual whose primary nighttime residence is:

1. A supervised shelter designed to provide temporary accommodations,
2. A halfway house or similar institution that provides temporary residence for individuals intended to be institutionalized,
3. A temporary accommodation in the residence of another individual not to exceed 60 days, or
4. A place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (a hallway, a bus station, a lobby, or similar places).

Household: An individual or group of individuals who are living together as one economic unit and for whom residential water is customarily purchased in common, or who make undesignated payments for heat in the form of rent.

Identifiable Application: An application which contains at least the legible name, address, and signature (or witnessed mark) of the applicant.

Inadvertent Household Error: An incorrect issuance of water assistance caused by client error due to circumstances such as failure to understand program requirements.

Intentional Program Violation: The client:

1. Made a false or misleading statement, misrepresented, concealed, or withheld facts to obtain water assistance benefits to which the client was not entitled; or,
2. Committed any act that relates to the use, presentation, transfer, acquisition, receipt, or possession of water assistance benefits.

Irregular Work Schedule: Jobs with rotating schedules, fluctuating payroll schedules, seasonal layoffs, or other careers where income is not consistent on a monthly basis.

Life Threatening Crisis: A situation, in which an applicant is without water, has been disconnected, is within 48 hours of being disconnected, or is within one day of running out of water and the outdoor air temperature is **below** 32 degrees Fahrenheit. The applicant must meet income/expense criteria to qualify for expedited processing. Only one expedite request is allowed per season.

Live-In Caregiver: A person, not considered part of the household, who does not contribute financially to the household and provides needed health/supportive services to a member of the household as documented by a qualified professional such as a Medicaid Qualifying Trust, Office of Public Advocacy (OPA), court order, or physician's note.

Mixed Household: A household in which some, but not all, members receive financial assistance from TANF, APA, SSI, or SNAP.

Notice of Action: A notice sent by the AKH2O program to the applicant requesting the information needed to complete the application in order to make an eligibility determination or informing the applicant they have been approved or denied.

Obligation: The promise to pay for goods or services, usually supported by a Field Purchase Order, Contract, Encumbrance, approved application, or Notice of Action.

Over issuance: The amount of water assistance issued to a household in excess of the amount it was entitled to receive.

Parental Control: To be considered **under the parental control of an adult household member**, children under 18 must be living with one or both parents or an adult who is caring for them as if he/she were their parent (for example, providing for basic needs such as lodging, meals, etc.).

Pay: To give money to another party in exchange for goods or services rendered.

Pend: To send a client a notice of action requesting additional information necessary to determine eligibility for water assistance benefits.

Pledge: A promise to pay a vendor. The ET calls the vendor to pledge an award amount for a client.

Public Assistance (PA) Household: A household in which all members receive: TANF; including ATAP and Native Family Assistance, SNAP, and/or APA; including Old Age Assistance, Aid to the Disabled, and Aid to the Blind or LIHEAP.

Qualified Alien: Legal immigrants as defined in Section 431 of PRWORA and described in [MS 7002-1\(D\)](#) of this manual.

Recreational Vehicle: A motor vehicle or trailer, such as a motor home, that is designed to be used for travel and equipped with living space and amenities found in a home, such as a bathroom, kitchen, and beds.

Seasonal Employment: Employment with a regular work season of 11 months or less on a salary basis from an employer.

Self-Employed Occupations: Occupations in which an individual receives income from the production or sale of goods or services as determined under 7 AAC 45.445 (a) - (k). For more information, see [MS 7003-4](#) of this manual.

Shared Household: A home in which more than one household (see definition above) resides. Examples include multiple, unrelated adults residing in one unit with each contributing towards a portion of the water costs (roommates) or multiple generations/families residing in the same unit and each contributing to a portion of the overall water costs.

Shelter Costs: The total of the household's regular monthly rent or mortgage obligation for the shelter it occupies, plus the cost of 30 days of water up to the amount of \$500 may be used when determining if a household is eligible for emergency processing.

Signature: Wet, electronic, digital, telephonic, and handwritten signatures created on an electronic device (finger/stylus to screen) are acceptable.

Spouse: Either one of two individuals who would be defined as married to each other under applicable state law.

SSI Household: A household in which all members receive SSI.

Subsidized Housing: Housing subsidized by a government, housing authority, or non-profit entity, in which tenants pay only a portion of their adjusted monthly income for rent, mortgage, and water. **Please note that while LIHTC properties are not considered subsidized housing, people living in LIHTC properties may have Section 8 vouchers which would require that the applicant with the Section 8 voucher be treated as living in subsidized housing.**

Subsidized Rental Housing Utility Deposit (SRHUD): A special grant available to households living in subsidized housing with water included in the rent that need help with the initial utility deposit required to establish service for Section 8 or subsidized rental housing.

Supplemental Benefit: An additional benefit payment issued to all eligible households at the end of the water assistance season. A supplement may be issued when the State has received state and/or federal contingency funding or has unspent funds remaining from the block grant.

Temporary Assistance for Needy Families (TANF): TANF is a block grant program that provides cash assistance and work opportunities to needy families by granting each state and certain tribal organizations federal funds to develop and implement their own programs. In Alaska, TANF funds the Alaska Temporary Assistance Program (ATAP), administered by the State of Alaska Division of Public Assistance, and the Native Family Assistance programs (NFAP), administered by Alaska Native tribal organizations.

Unearned Income: Income received that is not compensation for work performed. Unearned income examples may include but are not limited to: Workers Compensation, ATAP, APA, Unemployment Insurance Benefits, Veteran's Benefits, Social Security Benefits, SSI, Child Support, etc.

United States Citizen: A citizen of one of the 50 states, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands; and United States nationals, including nationals from American Samoa or Swain's Island.

Variable Work Schedule: Workers who are employed in mining; construction; ferry workers; and oil field and service workers who have rotating schedules, fluctuating payroll schedules, and/or seasonal lay-offs that do not reflect income on a monthly basis. Workers with these variable work schedules will have their income calculated using a 12-month average of all available income for that worker for the previous 12 months from the date they applied.

Vendor: An individual, business, or private or public agency that sells water.

A vendor who has signed a contract with AKH2O, agreeing to provide water in exchange for payment via a client's AKH2O grant is known as an Approved Vendor. A list of approved vendors is located on DPA's website. Vendors who express interest in becoming an Approved Vendor should be directed to submit their inquiry to Vendors.liheap@alaska.gov.

Verification: Documentation or third-party information that establishes the accuracy of statements on the application.

7001 APPLICATION PROCESS

In order for DPA to determine a household's eligibility, the household must:

- Submit an identifiable application,
- Complete and sign an approved application form, and
- Provide documentation and verification, including required forms, needed to determine program eligibility.

Fee agents help individuals who live in communities that do not have a local DPA office apply for water assistance. DPA provides fee agents with applications and other forms individuals need to apply for assistance. Individuals are not required to go to a fee agent and may send the application directly to the nearest DPA office. Individuals may also call DPA and complete an application over the phone.

An application is considered filed when a DPA office receives an identifiable application form containing the applicant's name, address, and signature. Applications received via fax, e-mail, or completed online are accepted.

The receipt of an identifiable application in a DPA office establishes the application filing date. The application, however, may not be a complete application. The worker has 45 days (or 7 days for expedited service applications) following the receipt of a complete application to process the application.

7001-1 APPLICATION FORM AVAILABILITY

An applicant must apply for water assistance benefits on the DPA water assistance application form (AKH2O1). The form must be signed by the head-of-household, or an individual authorized by the household to act on its behalf. Applications are available at or from: all DPA offices, the internet at www.heatinghelp.alaska.gov and by mail at:

Water Assistance Program
PO Box 110640
Juneau, AK 99811-0640

Email: hss.dpa.offices@alaska.gov

7001-2 THE APPLICATION FORM

7001-2 A. WHAT IS AN IDENTIFIABLE APPLICATION FORM?

An identifiable application is an acceptable application form containing the applicant's name, address, and signature (or witness mark) of the individual seeking assistance or of the individual's authorized representative. Each DPA office must accept and date the identifiable application when it is presented.

7001-2 B. WHO CAN SIGN THE APPLICATION FORM?

- Any adult household member
- An authorized representative
- An individual who has legal authority to act on the applicant's behalf (i.e., Office of Public Advocacy, legal guardian)
- An individual with appropriate power of attorney

The signer must certify, under penalty of perjury, the truth of the information contained in the application.

7001-2 C. WHO CAN BE AN AUTHORIZED REPRESENTATIVE?

A responsible adult, 18 years or older, may be designated by the applicant in writing as an authorized representative. Authorized representatives may sign the application and act on behalf of a household. A household member should prepare or review the application, if possible, even though the authorized representative will be filing the application.

The household may designate an emergency authorized representative (no age limit) if the need arises. The emergency authorized representative can obtain benefits on those occasions when, due to an emergency, neither a household member nor the authorized representative is able to do so. A separate written designation is needed each time an emergency authorized representative is requested to act for the household.

The household is liable for any overpayment resulting from erroneous information provided by an authorized representative.

If the applicant is illiterate, his/her mark must be witnessed by two individuals who must each sign their names and date the document. No special form is required.

7001-2 D. WHO CANNOT BE AN AUTHORIZED REPRESENTATIVE?

Vendors authorized to accept water assistance benefits, fee agents, or DPA employees involved in the certification or issuance process may not be authorized representatives without the written approval of the Director or Chief of Policy & Program Development.

7001-2 E. COMPLETING THE APPLICATION FORM

In addition to submitting an identifiable application and having it signed by an eligible individual, the applicant must answer all of the questions on the application form.

If the individual requests help in completing the application form, the worker will offer assistance.

If the application form is not completed, the Eligibility Technician will allow the household an opportunity to complete the form. In this case, a written notice, known as a pend notice of action, will be sent to the household listing the items that need to be completed.

7001-2 F. TAKING AN APPLICATION BY PHONE

Applications and the telephonic signature can be accepted over the telephone. A recording of the application and telephonic signature are stored in the electronic case file.

7001-2 G. COMPLETE APPLICATION

A completed application includes:

1. Responses to water assistance application form questions, including the full names, birth dates, and social security numbers of all household members,
2. The head of household's signature, and the date the application was signed,
3. Proof of gross income from all household members,

4. A copy of the current water bill,
5. A copy of the rental agreement and a recent rent receipt if the applicant rents and water is included in their rent, and
6. Proof of ID including a driver's license, state-issued ID, CIB card, BIA card, or tribal enrollment card.

7001-2 H. TRIBAL APPLICATIONS

Some tribal organizations serve Alaska Native and American Indian (and in some cases non-native) households in their communities. ECOS is designed to alert the caseworker when an application meets these criteria. At registration, ECOS flashes an alert indicating that the applicant appears eligible to be served by another agency and denies the application.

ECOS will allow the entry of households containing both Native and non-Native members. When the household consists of both Native and non-Native adults, AKH2O will serve the household if the head-of-household is non-Native. Caseworkers processing applications containing both Native and non-Native household members must check with the appropriate tribal organization to make sure the family has not already been served by that organization. If they have been served, the application is denied, and the information received from the tribal organization is entered in the case note. If the household has not been served by a tribal organization, the caseworker should notify the tribal organization that AKH2O will serve the household.

When a tribal organization refuses service to a household that appears to meet their eligibility criteria the caseworker must bring the situation to the attention of hss.dpa.policy@alaska.gov for resolution.

7001-3 THE INTERVIEW

AKH2O does not conduct interviews to determine eligibility.

AKH2O may contact the applicants over the phone to confirm or request information needed to determine eligibility.

7001-4 VERIFICATIONS

For households who appear eligible, mandatory verification, including income and water cost verification, must be obtained. Previously verified information, which is documented in EIS or ECOS notes, that has not changed cannot be required, unless the worker determines the information has become questionable. If the information was not previously documented, it must be requested and verified.

If the household is unable to obtain needed verification in a timely manner, the worker shall offer assistance in obtaining the verification.

The signed application can be used as a source of verification and provides adequate documentation when the household is ineligible. This includes cases when income exceeds maximum eligibility standards after applicable deductions are allowed. The application can be denied without further verification.

7001-4 A. VERIFICATION REQUIREMENTS FOR INITIAL APPLICATIONS

Mandatory Verification

For all households applying for water assistance, the following verification is required:

- Identity of the individual applying,
- Residency,
- Alien status of any household member who is not a U.S. citizen,
- Countable gross income, and
- Proof of water costs (copies of billing statements).

7001-4 B. PHYSICAL RESIDENCE ADDRESS

A physical address is required to ensure the applicant resides in the AKH2O versus a tribal service area and assists to determine if multiple applications have been received from the same address. If the address is not available in EIS or on utility bills, and the

community has physical addresses, the application is pended for the physical address.

- **Non-acceptable verification:** listing "same" as a P.O. Box or General Delivery mailing address.

7001-4 C. WATER OR RENT COST

An applicant shows they have a water cost by one of the following:

- Providing a copy of a water bill that the applicant is responsible for paying.
- A house sitter or caretaker must also indicate the length of time they have been residing in the dwelling in order to determine if they are responsible for paying a cost for water. A collateral letter from the homeowner shall be provided for a house sitter or caretaker.
- Providing a rent receipt and rental agreement as an indication that the applicant pays for water through the rental payment. The rental agreement is used to help the caseworker determine if the applicant is participating in a subsidized rental housing program, and to determine the main source of water. Rent receipt and/or rental agreement verification needs to be documented in the case note.
- Showing that they are directly responsible for paying home water expenses if receiving State of Alaska General Relief Assistance for the month of application.

7001-4 D. SIXTY CONSECUTIVE DAYS RESIDENCE IN TEMPORARY SHELTER

The applicant provides a signed and dated letter from someone they know who can verify their living situation and can verify that they have been residing in a temporary shelter for 60 or more consecutive days at the time of application.

7001-4 E. HOUSEHOLD COMPOSITION

The division verifies household composition through DPA records or by applicant statement notifying staff of a change in the household.

7001-4 F. INCOME

The division reviews and verifies each household's gross income for the month prior to the receipt of the application. Verification may be provided through documentary evidence (wage stub, award letter, etc.), DPA and DOL records, or impartial third parties such as fee agents, village council representatives, or social service agencies.

Note:

*Income information obtained through DOL's SAM database is intended to verify Unemployment Insurance Benefits. SAM is **not** a valid verification method to confirm an applicant's past or current wages.*

The applicant must provide verification of gross income received in the month prior to the month the application was received at a DPA office. Applicants who are seasonally employed, self-employed, or who work an irregular work schedule, will need to provide verification of the previous 12 months of income.

Due to extenuating circumstances such as death or medical reasons, a caseworker may determine that it is in the client's best interest to use the application submission month rather than the month prior to application submission, to determine eligibility. When the submission month is used, the caseworker is required to justify the action taken via a case note.

7001-4 G. INADEQUATE INCOME DOCUMENTATION

When a household's income is not verified by the applicant or cannot be verified from the previously mentioned sources, additional information must be requested. If a household's expenses exceed income, no past-due bills are evident, and no explanation of how the applicant is meeting living expenses is provided, additional information should be requested to determine how the client is meeting those expenses.

7001-4 H. INFORMATION FROM DATA SYSTEMS AND EIS INTERFACES

Several data systems and computer interfaces are available through the Internet and online EIS access. Some interfaces must be checked at each application as part of the verification process. Others only need to be checked if questionable or if certain conditions apply.

1. Interfaces That Must Be Checked

Interface	Information Verified	When To Check
IEVS (Instant Eligibility Verification System)	<ul style="list-style-type: none">• Provides information that may indicate questionable eligibility• Qualified alien status of household members who are not U.S. citizens	At each application and review
SAM State of Alaska Department of Labor (DOL)	<ul style="list-style-type: none">• Unemployment Insurance Benefits• Unreported employment	At each application and review
State Online Query	<ul style="list-style-type: none">• SSA and SSI payments	

(SOLQ) (#14 on INME)		At each application and review
<p>Interface Inquiry (ININ) (#9 on INME)</p> <p>SDX Social Security Administration</p> <p>PFA State of Alaska Permanent Fund Dividend Division</p> <p>WAG State of Alaska Department of Labor (DOL)</p>	<ul style="list-style-type: none"> • SSI payments • PFD payments • Employment history through quarterly wage match 	At each application and review
<p>WinStar or NFIN State of Alaska Child Support Services Division</p>	<ul style="list-style-type: none"> • Child Support collections • Child support disbursements • Legal obligation to pay child support 	At each application and review

2. Interfaces That Are Checked If Questionable or Under Certain Conditions

Interface	Information Verified	When To Check
BENDEX Inquiry Social Security Administration (#15 on INME)	<ul style="list-style-type: none">• SSA payments	At each application and review only if it appears the applicant or recipient could be eligible for Social Security benefits.
State Verification Exchange System (SVES) (#13 on INME)	<ul style="list-style-type: none">• SSA and SSI payments	At each application and review only if it appears the applicant or recipient could be eligible for Social Security benefits.

Note:

The SOLQ interface may be used only to determine eligibility for ATAP, SNAP, Medicaid, and APA programs.

In some situations, the information will be from the source and can be used as verification. In other situations, the caseworker must follow-up on the information.

Example:

The caseworker checks the interfaces and data systems for the two members of an applicant household. The Department of Labor system shows one is currently receiving unemployment benefits of \$120 weekly. This information is used as income verification since the information is directly from the source of the income. The caseworker also finds that the other applicant had

earnings listed for the prior quarter. The caseworker contacts the household to determine if the person is still working and, if so, requests verification of wages.

7001-4 I. HOUSEHOLD COOPERATION

To determine eligibility, the application form must be completed and signed and certain information on the application must be verified by the applicant or other persons in possession of the information.

7001-4 J. QUESTIONABLE INFORMATION

When information provided on the application or supplied by the applicant is incomplete, unclear, or inconsistent, caseworkers are required to resolve all issues before making a determination of eligibility.

7001-4 K. RESOURCES

The Water Assistance Program does not use a resource test. Therefore, resources are not counted or verified.

7001-5 ACTIONS TAKEN ON THE APPLICATION

7001-5 A. ENTERING APPLICATIONS

Refer to Administrative Procedures Manual, section [101-7](#).

7001-5 B. DUPLICATE APPLICATIONS

ECOS screens for duplicate household members or head of household members that have previously applied during the application entry process. A warning will pop-up on the screen if a name, date of birth, or social security number entered into ECOS is already in the system. When this situation arises the office assistant or caseworker determines if the application being entered has a duplicate household member, is a duplicate application already worked, or is a resubmitted application for an earlier denial requesting a "re-work" by checking to see if the person already has a file or is in another case file.

7001-5 C. EXPEDITE PROCESSING OF THE APPLICATION

Expedited service is provided to households facing immediate service terminations (including households facing eviction when the applicant's water is included in the rent and there is an eviction notice or the threat of action taken because the utility account has reverted back to the landlord's name due to nonpayment), or who are without water who also meet the expedite criteria as outlined below. Expedited service results in a promise of payment (pledge to vendor) to remedy the heating assistance emergency.

Note:

Only one expedite request is allowed per household per heating season.

Criteria for Expedited Processing:

Expedited service is provided to a household if they have submitted an application and if all of the following expedited service criteria are met:

1. The household's gross income is less than their shelter cost,
2. The household has suffered or will suffer within 48 hours, termination of water or faces eviction within 30 days,
3. The household has submitted a complete, verified, and signed application, including a rent receipt or rental agreement if water is included in the rent, and
4. The household must submit a copy of the shut-off notice or written notification from the vendor including the date of the proposed action and the past due amount or the most recent water vendor statement or an eviction notice for a renter who will be evicted for nonpayment of rent where their water is included in the rent.

Shelter cost includes:

- The sum of the household's regular monthly rent or mortgage obligation for the shelter it currently occupies,

plus

- The cost of 30 days of water up to a maximum of \$200. May include a past due amount, delinquent amount, and deposit and reconnect fee.

Expedited Time Frames:

Water Assistance emergencies (client has water service shutoff or is scheduled for water disconnection) will have their application processed within 7 days after they submit a complete application. If an applicant does not meet the expedite criteria, the caseworker is required to contact the applicant by e-mail or phone to inform them that they do not qualify for expedited processing and their application will be worked in order of date received. The caseworker

should also direct the client to other community resources that may assist with the prevention of a service disconnection.

7001-5 D. CHANGES REPORTED TO DPA

Changes reported for any DPA program after the initial water assistance application submission but before a case decision is made will be considered in the initial water assistance eligibility determination. This includes additional water assistance applications submitted by the applicant.

7001-5 E. APPROVING THE APPLICATION

A Notice of Action must be sent to the household following a determination of eligibility. Approved households must receive a notice of action no later than 45 days after AKH2O receives a complete application for non-expedited applications and within 7 days of expedited applications.

7001-5 F. PENDING THE APPLICATION

Caseworkers request additional verification if the application or supporting documents contain unclear, inconsistent, or contradictory information.

When information from another source contradicts statements made by the applicant, the applicant must be provided an opportunity to clarify the questionable information.

1. Pending

When an application is incomplete and the necessary information cannot be obtained from the databases available to DPA, a notice requesting additional information is sent to the applicant. This request is sent on a Notice of Action form and is known as a pend notice. Applicants are given 30 days to respond to a pend notice. If the requested information is received within the 30-day period, the application can be processed using the original application date. If the information is not received within the 30-day pend period, the application is denied. A new application is required if the applicant is still in need of assistance.

2. Reasons for Pending

The pending reasons, as programmed into the ECOS, are listed below:

- a. Unsigned Application - The caseworker sends a pend notice and a copy of the application form to the applicant for signature and **keeps an electronic copy of the original application** in ILINX.
- b. Missing proof of income
- c. Missing social security number and/or birth date
- d. No visible means of support
 - i. Who lives with you
 - j. Other (free form)
- k. Subsidized housing verification
- l. Temporary shelter
- m. Rent receipt/agreement request
- n. Missing proof of seasonal income
- o. Physical residence address request
- p. Proof of ID (social security card, CIB card, state-issued ID, tribal ID card, or other government issued ID card) for the head of household
- q. Proof of water bill.

3. Reasons for Re-pending

Reasons for re-pending an application are:

- a. The initial pend notice was unclear.
- b. The Time frame for the initial pend notice was incorrect (less than 30 days.)
- c. There are extenuating circumstances in which a re-pend is necessary. This should be documented in case note.

7001-5 G. DENYING THE APPLICATION

A denial notice must be sent to the applicant explaining the reason for the denial. This notice should be sent as soon as possible

following the determination of ineligibility, but no later than 45 days following the receipt of a complete application.

Applicants denied for failing to provide needed verification by the end of the pend period will be sent a notice of denial at the end of the pend period.

If the applicant provides the verification after the pend period but within 30 days of the application filing date, the caseworker must accept the verification and make an eligibility determination without requiring a new application. If the household is found eligible, the caseworker will use the original benefit start date.

Note:

When the deadline for processing an application or providing verification does not fall on a workday, it will be extended to the next workday.

7001-5 H. REASONS FOR DENYING AN APPLICATION

The following is a list of reasons why a water assistance application will be denied:

- 1. Over Income/Over Seasonal Income:** A household with income that exceeds 150 percent of poverty is ineligible for water assistance.
- 2. Previously Served:** Already awarded water assistance this season. AKH2O awards only one water assistance grant per household during the program's season.
 - Household composition is determined at the time of application. Individuals moving into or out of the household after the grant is determined are considered previously served, as grants are household, not individual, based.
 - An application from a person who received water assistance as a member of another household earlier in the season is ineligible for another water assistance grant.

- An application from a person who is currently residing with a previously served household is ineligible for water assistance.

Note:

In cases where two adults in the households who both contribute to the water costs have separated after the award has been issued and the adult(s) who left the household request water assistance separately, the worker should refer to the [MS 7002-1\(A\)](#) to determine how to treat this situation.

4. No Cost: An applicant that does not pay in money for water or rent, or pays \$200 or less annually, is ineligible for water assistance. Examples include:

- An applicant receiving State of Alaska GRA if the water is included in the rent and the State is paying the entire monthly rental payment.
- An applicant who is living with a parent or other relative who is paying for water and not charging the applicant for rent.

5. Other:

- Ineligible Dwelling:
- An application received from a household residing in an ineligible dwelling. The worker will explain the reason for the denial in the notice. An ineligible dwelling is:
 - An out-of-state dwelling,
 - A dwelling the applicant is not residing in at the time of application or receipt of water assistance because they are out-of-state,
 - A dwelling the applicant is not residing in at the time of application or receipt of water assistance because they have moved out of the dwelling before their application was processed. They will need to reapply for assistance at the new address,
 - A dwelling the applicant does not reside in at the time water assistance is requested, unless the applicant is seeking a utility deposit to move in,

- A hospital, nursing home, Alaska Pioneer Home, public or private institution to receive treatment for a mental or physical illness, student dormitory, correctional facility, or a military base.
- **No United States Citizen or Qualified Alien:** An application from a household that does not include a U.S. Citizen or Qualified Alien is ineligible.
- **Temporary Shelter:** An applicant that is residing in a dwelling normally intended for temporary occupancy and has resided there less than 60 consecutive days before the date of the signature on the completed application, is ineligible for water assistance.

Examples of temporary shelter include: a crisis center, hotel, motel, bed & breakfast, boarding home, hostel, tent, car, van, or pick-up camper.

- **Tribal LIHWAP:** This determination of household ineligibility is made at the time the application is entered into ECOS. The denied application is forwarded to tribal LIHWAP, and a notice is sent to the applicant.
- **Application Withdrawn:** An application chooses to withdraw their application that is on file.
- **Incomplete Application:** An application that was pended for the 30-day period for missing information and the information was not received by the deadline.
- **Out of Funds:** Used when the program has run out of funding.

7002 HOUSEHOLDS

7002-1 TYPES OF HOUSEHOLDS

7002-1 A. TYPES OF HOUSEHOLDS

1. Eligible Household

An individual or group of individuals who are living together as one economic unit and for whom residential water is customarily purchase in common, or who make undesignated payments for water in the form or rent.

A household must meet all four of the following requirements to be eligible to participate in AKH2O:

a. The dwelling for which water assistance is requested is located in the state, and at least one member of the household is physically present in the state at the time of application for, and receipt of, water assistance and the household:

- physically resides in the dwelling for which water assistance is requested, or
- is seeking water assistance to help with the utility deposit necessary to move into subsidized rental housing in the State.

b. At least one member of the household is a U.S. citizen or qualified alien,

c. The household's annual home water costs exceed \$200, and

d. The household's gross monthly income is not more than 150 percent of the current federal poverty guidelines for Alaska.

2. Ineligible Household

A household is not eligible to participate in AKH2O if any of the following situations apply at the time of eligibility determination:

- The household is eligible for or has received benefits from a tribal organization providing water assistance

funded by LIHWAP, unless an agreement to the contrary has been executed between the division and the tribal organization. (See [Addendum A](#) for a detailed listing of tribal organizations and communities served.)

- The household resides in a crisis center, hotel, motel, tent, or other shelter normally intended for temporary occupancy, and has resided there for less than 60 consecutive days before the date of signature on the completed application; unless they are seeking a utility deposit to move into a qualifying subsidized dwelling.
- The household resides in a hospital, nursing home, Alaska Pioneer's Home, or other public or private institution to receive treatment for a mental or physical illness.
- The household resides in a student dormitory, correctional facility, or on a military base.
- The household consists of a person who is house sitting, unless:
 - The house sitter has been house sitting for more than 60 days and this can be verified by a letter from the homeowner.
 - The house sitter is responsible for paying water bills and can show proof of at least \$200 in water costs.
 - The house sitter has not received water assistance at another location.
 - The homeowners have not applied for or received water assistance during the current season for said dwelling.

3. Multiple Households Residing in the Same Dwelling

When more than one household is residing in the dwelling, the caseworker must determine if the applicant household is:

- renting a room in the dwelling,
- the owner/occupant who rents out a portion of the dwelling, or
- sharing the dwelling.

If the applicant checks the application box for "Renting a Room," the application is treated as a separate application using the household size of those renting the room.

A foster adult not considered a member of the household must be considered a household sharer, or room renter.

If the applicant owns the dwelling and is receiving rental income, eligibility is determined by counting all rental income and counting the number of people in the applicant's household. A room renter is not counted as a member of the applicant's household. The owner/occupant's rental income may be considered a self-employment venture if the applicant chooses to deduct the non-personal costs of doing business.

If the applicant is sharing the dwelling with one or more households, the member(s) that have a water account with billable services may apply for benefits.

4. Household Sharers File

If an applicant lists other households as living in the same dwelling, the members of the other households that have water bills should be entered into the case note. This ensures that each household gets counted correctly when computing the household size, and if one of the households listed as being in a household subsequently applies for a grant, the worker can cross reference the cases.

5. Deceased Household Members

If a household member dies, the remaining credit balance can be used by the remaining household members.

If there are no other household members, the remaining credit balance can be used by the estate to pay water expenses incurred by the individual prior to their death. If any credit remains after paying these expenses, the vendor refunds the remaining credit to DPA.

If the applicant, who is the sole household member dies prior to the date the case is processed, the caseworker needs to contact the client's water vendor to obtain the total amount of unpaid charges remaining on the client's accounts. The caseworker will

issue the deceased client's grant up to the amount needed to pay the debt. The case will be left "out of balance" if the grant exceeds the debt.

When a household member dies in the month of application, the worker may determine whether the household will benefit better by using the signature month rather than the prior month's income due to the change in circumstance.

6. Dissolution of Household

In cases where households have been dissolved after the award has been issued and where:

- a. two or more adults resided together at the original application location,
- b. said adults applied for water assistance together,
- c. said adults contributed towards the total water costs,
- d. one or more adult members meeting the criteria in b and c above leave the household, and
- e. the member(s) who left the household apply for their own water assistance grant,

The application will be pended to request proof of the new applicant's contribution to the shared water costs at their previous (shared) residence. Proof of costs would include:

- a. a copy of a water or utility bill with their name on it at the old address; or
- b. a rental agreement indicating rent paid is for housing and water; or
- c. a letter from other adults in the previous household verifying the applicant's percentage of contribution to the household water costs; and
- d. proof of a new residence, water bill, and need.

Once this proof has been provided, the applicant who was listed on the previous application will be entitled to their percentage of any remaining water assistance benefit paid to the vendor. They are only entitled to their share of any remaining balance because

they already received the value (water) of any award already used to furnish water at the residence.

The vendor is contacted via phone and instructed to freeze the remaining balance on the account at the original location. The caseworker then follows up with a letter, in writing, to the vendor instructing them to send a portion of the frozen balance to the new applicant's vendor of choice. Copies of the letter are sent to all parties and loaded into ILINX. This action should be documented in the ECOS case note.

7. Categorical Households

Federal regulations call certain households “categorical” because they are enrolled in programs that are income tested and will usually be eligible for water assistance. When **all** household members are receiving assistance from TANF, ATAP, SNAP, APA, LIHEAP or SSI, the worker will use the income from the household’s open public assistance case in EIS as their gross monthly income for the income portion of the water assistance benefit calculation.

If only a portion of the household members are on a public assistance program (also referred to as a "mixed" household), the caseworker may use the income in EIS to verify said members income but will still need to obtain proof of income for all other household members not on the public assistance case.

8. Atypical Household Situations

a. Ionia

Ionia, Inc. is a non-profit organization set up to help mentally disabled individuals. All households have at least one disabled household member in it. Many of these families are related. They are all separate homes and cabins. There are 10 homes. The 54932 Burdock Road, Kasilof, AK, is a corporate address and mail is distributed to each household. The rent is based on the fair market value for a home in that area, not subsidized.

b. Office of Public Advocacy

Applications received from the Office of Public Advocacy are processed in the following manner:

The type of residence varies: group home, renting a room, living in an apartment, etc.

The caseworker will pend for information that is not provided, unless the applicant resides at the same physical location as last year and the needed information can be obtained.

The signature on the application must be that of the public advocate or the applicant.

9. Household Size and Composition

- a. The household composition is an important factor in determining an applicant's eligibility and grant amount. If the household composition is not clearly indicated in the application, and cannot be ascertained through EIS, the application will be pended for this information.
- b. All U.S. Citizens and Qualified Aliens residing in the household at the time of application are included when computing the household size.

Note:

*If a household member is **not** a U.S. citizen or qualified alien, they should not be counted as a family member in the case, but their income **is** counted and included.*

- c. If a person who contributed financial support for the month prior to the application date is no longer in the household, the person is not counted nor is their income counted. A person moving into the household prior to the grant determination is included as a household member and their income is counted.
- d. If the application lists another household member as a house sharer, the individual(s) that comprise the other

household are not included in the applicant's household size.

- e. An applicant's spouse living in the applicant's dwelling must be included in the applicant's household. The spouse cannot be considered as a house sharer.

10. Shared Custody Situations

A child can only be claimed as a member of one household. In situations where the parents of a child share custody and the child moves between the homes on a regular basis, AKH2O will include the child(ren) on the first application received with the child(ren)'s information. See [MS 7003-2](#) for how to budget ATAP income in this situation.

11. When the Client's Household Composition Does Not Match Across Open DPA Cases

In situations where the client's household composition does not match across their open DPA cases, the living arrangements need to be verified, acted on according to each program's policy, and documented in the case note for each applicable program.

Example:

Joe, age 31 is claimed as a household member on his dad's AKH2O application. When the case worker checks EIS during the eligibility determination they see Joe is receiving SNAP benefits on his girlfriend's case, who lives at a residence separate from Joe's dad.

Joe's living arrangements are now questionable and require an explanation from Joe. Additional verification may be sought if Joe's explanation is not satisfactory.

7002-1 B. RESIDENCY

To be eligible to participate in HAP, the dwelling for which water assistance is requested must be located in the state of Alaska and the household must physically reside in the dwelling for which water

assistance is requested. Additionally, at least one member of the household must be a U.S. citizen or a qualified alien.

Residency in the state must be verified. Documentation used to verify other factors of eligibility such as rent receipt and utility bill(s) will generally be sufficient to verify residency.

7002-1 C. IDENTITY

The identity of the person listed as “head of household” on the application must be verified. When an authorized representative applies on behalf of a household, the identity of both the authorized representative and the head of household must be verified. Identity may be verified through readily available documentary evidence, such as pay stubs, utility accounts, tax returns, rental agreements, bank statements, or other document that contains the individual’s name and address. Verification of identity may also be obtained through a collateral contact or through the EIS CANO screen, HERC screen if the person received Medicaid, or DOL websites.

7002-1 D. CITIZENSHIP AND ELIGIBLE ALIEN STATUS

To receive water assistance, a person must be:

- A United States citizen or U.S. National; or
- A qualified alien.

All other household members are treated as excluded household members.

Every water assistance household must declare that all household members have U.S. citizenship or satisfactory immigration status. This declaration is accomplished by:

- providing the information of each household member on the AKH2O application; and
- the head of household signing the application.

1. United States Citizens and United States Nationals

United States citizens and U.S. Nationals include:

- Individuals born in one of the 50 states, the District of Columbia, Puerto Rico, Guam, Virgin Islands, and the Northern Mariana Islands,
- Naturalized citizens,
- U.S. Nationals born in American Samoa or Swains Island. An individual who was **not** born in American Samoa or Swains Island, but one of his or her parents were born in American Samoa or Swains Island **may** be a U.S. National.

U.S. citizenship is verified only when questionable. Sources of verification include birth certificates, certificates of citizenship or naturalization provided by the USCIS, U.S. passports, and official identification cards showing U.S. citizenship. U.S. National status may be verified with a U.S. passport stamped U.S. National.

Citizenship documentation received by DPA must be validated through IEVS.

2. Qualified Aliens

A qualified alien is a person who is a:

- a. A lawful permanent resident admitted,
- b. A refugee,
- c. An asylee,
- d. An alien who has had deportation withheld under 243(h) of the INA as in effect prior to April 1, 1997; or 241(b)(3) of the INA, as amended,
- e. An alien granted parole for at least one year by the USCIS,
- f. An alien granted conditional entry under immigration law in effect before April 1, 1980,
- g. An alien who is a Cuban/Haitian entrant as defined in section 501(e) of the Refugee Education Assistance Act of 1980,
- h. A battered spouse or child of a battered spouse of a U.S. citizen or permanent legal resident, and aliens protected under 1508 of the Violence Against Women Act of 2000,
- i. Victim of trafficking under the Trafficking Victims Protection Act of 2000 (including certain family members of victims of a severe form of trafficking),
- j. Non-citizen Native Americans as defined in 4(e) of the Indian Self-Determination and Education Assistance Act, 25 USC 450b(e) and 289 Native Americans,

- k. Special immigrants from Iraq and Afghanistan admitted under section 101 (a)(27) of the INA.

3. Citizenship for Certain Children Born Outside the United States

Effective February 27, 2001, the Child Citizenship Act of 2000 allows a child born outside of the United States to acquire citizenship of the United States automatically when all of the following conditions have been fulfilled:

- a. At least one parent of the child is a citizen of the United States, whether by birth or naturalization,
- b. The child is under the age of eighteen years, and
- c. The child is residing in the United States in the legal and physical custody of the United States citizen parent, pursuant to a lawful admission for permanent residence.

Note:

Because proof of citizenship is not automatically issued to eligible children, parents must provide proof of the child's relationship (such as a birth certificate) to their U.S. citizen parent and proof that the child is lawfully admitted into the U.S. Parents of a foreign-born child who meet the conditions of the new law should be encouraged to apply for a certificate of citizenship for their child with the USCIS and/or for a passport for their child with the Department of State.

4. Foreign Born Children Adopted by United States Citizens

Under the Child Citizenship Act of 2000, a foreign-born child under age eighteen, who has been legally adopted by at least one U.S. citizen parent, automatically becomes a U.S. citizen when the legal adoption is finalized. Most of the time, a parent will be able to verify the U.S. citizenship of their child by producing a U.S. birth certificate.

Effective January 1, 2004, a new entrant (IR-3) program was implemented, which focuses on newly entering orphans with full and final adoptions abroad. Under this new program, these children will automatically receive a Certificate of Citizenship within 45 days of entry into the U.S.

5. Documentation of U.S. Citizenship and Eligible Alien Status

Verify U.S. citizenship only when questionable. Sources of verification include birth certificates, certificates of citizenship or naturalization provided by USCIS, a U.S. passport, and official identification cards showing U.S. citizenship. U.S. National status may be verified with a U.S. passport stamped U.S. National.

Note:

Aliens born in the Marshall Islands, Western Samoa, the Federated States of Micronesia, and Palau are the most common types of non-immigrants. These people can travel freely between the islands and the U.S. but are considered non-qualified aliens and are not eligible to receive benefits. For these people to receive benefits, they must take action to become a qualified alien.

6. Case Processing for Households with Eligible Aliens

a. Household Provides Documentation of Alien

Status: An alien that provides documentation verifying eligible alien status, if otherwise eligible, can be issued benefits.

b. Documentation Not Provided with Application: A

household member whose U.S. citizenship is questionable or who has not provided documentation of alien status is not eligible until citizenship/alien status is verified.

c. Documentation of Alien Status Not Provided Following the Request for Information: The person whose U.S. citizenship remains questionable, or alien status is unverified at the end of the pend period shall be treated as an excluded member.

When a household indicates inability or unwillingness to provide documentation for any household member, that member is considered an excluded household member.

When the only member of an applicant household indicates inability or unwillingness to provide documentation of his or her own alien status or questionable U.S. citizenship, they are ineligible, and the application is denied.

Note:

When determining water assistance benefits, the illegal alien's income is included in the income calculation, but the person is not counted as a family member. For example, if the household consists of five members, four of which are legal and qualified, the worker will include the income from all five household members, including the illegal alien, but only consider the household a four-member household when determining household size and composition.

7. Ineligible Aliens

Any alien, legal or not, who does not meet the alien eligibility requirements is ineligible for water assistance. Ineligible aliens in households with eligible household members are treated as excluded members.

7002-1 E. SOCIAL SECURITY NUMBERS

Households must provide an SSN for each household member. If a household member does not have an SSN, the individual must apply for one.

1. New Social Security Numbers

If an individual is applying for an SSN for the first time, they must apply directly through the Social Security Administration (SSA), either in person or by phone. SSA will send the individual a "Receipt of Application" for an SSN form, verifying an application has been submitted.

Parents may also apply for a newborn's SSN through the Health Analytics and Vital Records (HAVR) Enumeration at Birth Program. Hospitals give the parent an SSA-2853 form, "Information About When You Will Receive Your Baby's Social Security Card." This document certifies a Social Security Number was officially requested for the baby.

If the newborn's SSN is not provided at the time of application, the SSN or proof of application for a SSN is required within six months following the newborn's birth, or at the next application submission, whichever is later.

2. Verification

Social Security Numbers: Social Security Numbers do not need to be verified, unless questionable.

Application for a Social Security Number: Accept the client's statement they have applied for an SSN with the Social Security Administration. If the client's statement is questionable, require the client to provide SSA's proof of receipt of SSN application. In addition, instruct the client to provide the SSN once they receive their SSN card from SSA. Obtain the SSN or proof of application for an SSN at the next application submission.

3. Case Processing Pending Receipt of SSN

Household members are allowed to participate if otherwise eligible while waiting for issuance of SSN from SSA.

Households with SSN applications "in process" with SSA are included in the case. However, this allowance is only available to the client at initial application. A client without an SSN in subsequent application submissions will be excluded from the household size but their income will remain countable.

4. Failure to Provide SSN

If the household is unable to provide an SSN or proof of application at subsequent application submissions, determine if good cause exists. Good cause includes but is not limited to SSA caused delays.

- If good cause exists, the affected household member must submit a new application for an SSN to SSA in order to maintain eligibility status with DPA
- If good cause does not exist, the affected household member will be treated as an excluded household member.

7002-2 RESOURCES

AKH2O does not count resources.

7003 INCOME

Applicant households must report all gross income received. All income from any source is countable unless specifically excluded. The total income for the household is computed by determining all countable income for each member of the household in the month prior to receipt of the application.

7003-1 COUNTABLE INCOME

7003-1 A. EARNED INCOME

1. Wages

a. Definition:

Earned income includes but is not limited to monetary compensation for services as an employee, including gross earned income before any deductions or garnishments, COLA, leave cash-outs, vacation pay, bonuses, stipends and back-pay, advances, tips (as reported by the employee) and commissions, military pay, and earnings from on-the-job training programs under the Workforce Investment Act.

Income from babysitting, housekeeping, craft sales, fishing, etc. is considered wages unless the applicant is claiming self-employment.

Exception:

Income earned through the MASST is not countable.

b. Verification:

Acceptable verification includes, but is not limited to, employer's statement which is signed and dated, employer's wage record, paycheck stub, or military LES.

Note:

For more information on how to treat military pay, please see [MS 7003-5](#) of this manual.

2. Jury Duty Payments and Witness Fees

a. Definition:

Jury duty payments and witness fees issued to the applicant count as earned income in the month received. Any portion of a jury duty payment or witness fee that is designated as a

reimbursement for items such as food, lodging, parking, or transportation is excluded income.

b. Verification:

Acceptable verification includes a copy of their check, check stub or official letter.

Exception:

Jury duty payments issued directly to the employer are exempt income.

3. Self-Employment Income

a. Definition:

Self-employment includes occupations such as small business, crafts, boarding house manager/owner, ownership of rental property, and seasonal self-employment such as fishing. Heating Assistance uses net self-employment from the previous 12-month period, after allowable deductions. See Section 7003-4 of this manual for more information on self-employment.

b. Verification:

The applicant is responsible for verifying all income and expenses claimed. Acceptable sources of verification are tax records (such as Form 1040 and Schedules C, E, K, S1), bookkeeping records, and account statements. Written or verbal verification of self-employment income and expenses is required.

4. Tips or Gratuities

Verification includes pay stubs that list the tips, statement from applicant, or the EIS CANO screen. A client's verbal or written statement is acceptable verification of tips received.

7003-1 B. UNEARNED INCOME

1. Public Assistance

a. Definition:

Public assistance income includes TANF payments (Alaska Temporary Assistance Program and Native Family Assistance) and APA payments (Aid to the Disabled, Aid to the Blind, Old Age Assistance, Interim Assistance). ATAP diversion payments are also countable.

b. Verification:

Verify through the DPA case files or EIS computer screen, or Native Family Assistance agency. A copy of their check is also acceptable verification.

Exceptions:

Reductions due to Fraud: When a TANF or APA benefit is reduced to repay a fraud overpayment, the calculation of the water assistance benefit will use the TANF or APA amount the household would have received without the grant reduction. This applies only if a formal fraud finding has been determined by the administrative disqualification process or a conviction by court.

2. SSI / SSA / VA Income

a. Definition:

Social Security benefits (SSA) - retirement, survivor's disability and dependent benefits; Supplemental Security Income (SSI) - aged, blind and disabled person's benefits; and Veteran's benefits are considered unearned income.

b. Verification:

Verify with a copy of the current check, current Social Security or VA award letter, a statement from Social Security or Veteran's Administration verifying the monthly amount, SDX/Bendex printouts, EIS interface screen. VA can also be verified using a bank statement since VA benefits are not

subject to deductions or by calling the Veteran's Administration office at 1-800-827-1000.

c. Budget:

The monthly entitlement including the cost of Medicare, if deducted, is counted as income in the month of intended use.

3. Child Support Payments

a. Definition:

Child support income includes:

- Payments received from the non-custodial parent or a child support enforcement agency, including full or partial monthly obligation payments, payments toward obligation arrearage, and voluntary payments.
- Payments paid by the non-custodial parents to a third party to pay for a household expense **may** be countable. Please see the examples below for clarification.
- CSSD pass-through payments paid through DPA or a Native Family Assistance Program agency to a TANF recipient.

Example #1:

A court order specifies Harry must pay child support of \$500 per month cash to be sent to the family and \$800 per month be paid to the landlord (or directly to the mortgage company). Because the \$800 cannot be given to the family in cash (per the court order), it's not considered income. Only the \$500 cash that goes to the family is considered income.

Example #2:

A court order states that Melinda, the absent parent, must pay \$450 per month to the family for child support. Melinda makes that payment plus sends \$250 per month to the landlord to help with the rent. The \$250 is a gift

(the family is not legally entitled to it) so it is exempt income.

Example #3:

A court order specifies that Joe, the absent parent, must pay \$450 to the household as child support. At the custodial parent's request, the \$450 is sent to the landlord for rent instead. The custodial parent is legally entitled to the \$450 which could be paid in cash; therefore, the income is countable income.

Exception:

Funds provided and used for the care of a child not living at home and the funds are sent to the child are exempt and not countable.

b. Verification:

Includes, but not limited to, CSSD computer screen, the CSSD payment stub, a signed statement from the non-custodial parent, the EIS CANO, a court order showing the amount of the award, or a check stub.

c. Budget:

When the person receiving child support is a TANF recipient:

- CSSD pass-through payments paid through DPA or a Native Family Assistance Program agency to a TANF recipient are counted as unearned income.
- Only the first \$50 per month received and kept by TANF recipients directly from the non-custodial parent is countable. The remainder is considered assigned child support and is excluded income. Assigned child support is child support given or paid to TANF recipients that should be turned over to a child support agency to maintain TANF eligibility.

- Child support payments received by TANF recipients from a child support enforcement agency are disbursements and are countable income. However, payments made in error are excluded income.

Note:

A TANF applicant becomes a recipient the moment the caseworker authorizes the TANF benefit in EIS. All direct child support payments received and kept prior to this authorization is countable income.

4. Third-Party Payee

- a. Definition:** Payments made to a third-party payee on behalf of a recipient. For example, SSI, SSA, and ATAP payments assigned to payees who represent recipients unable to manage the payments.
- b. Verification:** Includes, but not limited to, a signed statement from the agency that designated the third-party beneficiary, and a copy of the checks received.

5. Educational Income

Any portion of education assistance that will **NOT** be used or set aside for paying tuition, fees, or other necessary education expenses is countable unearned income.

Exception:

*Education assistance that is **not funded under Title IV of the Higher Education Act or the Bureau of Indian Affairs** student assistance program funds is excluded as income if it is used or will be used for paying tuition, fees, or other necessary education expenses at any educational institution, including vocational, technical, and correspondence schools, and schools for people with disabilities.*

6. Other Sources of Countable Unearned Income

The following are considered other sources of unearned income (not all-inclusive):

a. Worker's Compensation

Verification: Acceptable verification includes a fax, e-mail, or statement from Worker's Compensation or from the EIS CANO screen.

b. Unemployment Insurance Benefits (UIB), including amounts garnished. Refer to [MS 7003-1\(C\)](#) for more information on garnishments.

Verification: Acceptable verification includes DOL's BB53 screen, statements from other states regarding disbursement amounts, or from the EIS CANO screen.

c. Annuities, pensions, retirement, and disability benefits

Verification: Acceptable verification includes EIS CANO screen, benefit statement or award letter, year-end statement or a R-1099.

Note:

Annuity payments paid quarterly shall be averaged over the three months and counted as monthly income; annuity payments paid annually shall be averaged over twelve months and counted as monthly income.

d. SBS payments and cash outs

e. Alimony payments

Verification: Acceptable verification includes the EIS CANO screen, a court order showing the amount awarded, or a check stub.

f. Rental income (gross income minus costs of doing business).

Costs of doing business may include the mortgage, taxes, and insurance. When a household member is actively engaged in the management of the property at least 20 hours per week, it will be considered earned income.

Note:

Rental income received in a lump sum shall be averaged over the months of intended use and counted as monthly income.

Income received from the lease of a limited entry fishing permit is considered unearned rental income.

g. Foster care payments

The total foster care payment made to a household for a legally assigned foster child or adult, if the foster child/adult is included as a member of the household. If the child/adult is not included, the foster care payment is not included as income to the household. In cases where the foster person is an adult that is not considered a member of the household, the foster adult must be considered a household sharer or room renter.

Verification: Acceptable verification includes check stubs or the EIS CANO screen.

h. Dividends, interest, royalties, estates, trusts and similar recurring payments

Verification: Acceptable verification includes a bank statement, letter declaring the amounts, EIS CANO screen, or statements from the trust regarding the disbursement amounts.

Exception:

The Water Assistance Program does not count Alaska PFDs unless it is received by a household for a person who is not a household member.

Water Assistance does not count up to \$2,000 per year per person of Native Corporate Dividends, including inherited shares, unless it is income from native

dividends placed in a trust.

If the client has income from a trust such as a Miller or Qualifying Medical Trust, do not count the income that is deposited into the trust. Only count disbursements received from the trust account by the client during the month.

i. Excess reimbursements

When payments received as an advance or reimbursement for volunteer job training or work-related services exceed the expense incurred, the excess amount is included as income.

j. Strike benefits

Verification: Acceptable verification includes a copy of their check or a statement from the union.

k. Cash payments, including payments to a household from a wage earner **not** residing with the household because of his or her employment.

Verification: Acceptable verification includes the EIS CANO screen or a statement from the person providing the cash gifts.

l. Military family allotments

Verification: Acceptable verification includes the EIS CANO screen or their Leave and Earnings Statement.

Note:

For more information on how to treat military pay, please see [MS 7003-5](#) of this manual.

m. Any money benefit not otherwise exempted including lump sum payments unless specified as not countable

n. Bingo and lottery winnings

Verification: Acceptable verification includes the EIS CANO screen, a Bingo/Pull Tab statement, or a letter from the game provider.

Note:

Lottery winnings paid on an annual basis shall be averaged over twelve months and counted as monthly income.

o. BIA General Assistance Program payments made to the household

Verification: Acceptable verification includes the EIS CANO screen, a check stub, or a letter from the BIA office.

p. Refugee cash assistance payments

Monthly refugee cash assistance payments made through the Refugee Assistance & Immigration Services program administered by Catholic Social Services are countable income. See [Admin MS 128-4](#) for more information about refugee assistance.

q. Subsidized adoption payments

Are intended to cover expenses incurred due to the special needs of an adopted child. These payments are countable for Water Assistance.

Verification: Acceptable verification includes EIS CANO screen, Native Family assistance agency, TANF records, or a check stub.

r. Cash gifts over \$20 per person, per month

s. Income from the sale of stocks or bonds or escrow income

Verification: Acceptable verification includes a letter regarding the condition of the payment or a bank statement.

t. Payments from the sale of personal property, house, boat, loan repayment, and escrow repayments

u. Trade Readjustment Act payments

v. Capital Gains

Verification: Acceptable verification includes IRS Form 1040 or the EIS CANO screen.

w. Recoupment

Monies withheld from an assistance payment, earned income, or other income source, or monies received from any income source which is voluntarily or involuntarily returned, to repay a prior overpayment from that income source.

x. Natural Resource Conservation Service Grants

Grants awarded through the NRCS to improve water management and/or improve resource conditions.

Verification: Acceptable verification includes a copy of the grant award or award letter showing the total grant amount and the period of time represented by the award (6 months, 1 yr., 2 yrs.).

y. Health Care Stipends

Money received by an applicant from their employer to purchase health care insurance in the open market.

Verification: Acceptable verification includes a copy of the applicant's pay stub or separate check to the applicant indicating they are receiving funds to purchase health insurance (instead of the employer providing the actual insurance).

Note:

If the cost of employer provided health insurance is included in the applicant's paycheck as an employee benefit (for example, the State of Alaska provides employee health insurance as a fringe benefit), the benefit is non-countable income.

7003-1 C. GARNISHMENTS

Garnishments are funds withheld from an income source due to an outstanding debt a person is legally obligated to pay. Garnishments are always made by direction of a court order. The amount withheld for the garnishment **is counted** when determining the gross income from any source.

The amount and reason for withholding of funds from any source must be verified in order to determine if the funds were withheld due to a garnishment or a recoupment. Refer to [MS 7003-2\(A\)](#) for information on recoupments.

7003-2 NON-COUNTABLE (EXEMPT) INCOME

7003-2 A. NON-COUNTABLE (EXEMPT) INCOME

1. Title IV Higher Education Act and Bureau of Indian Affairs Grants and Awards

The total amount of any grant, scholarship, or award issued under any program funded under Title IV of the Higher Education Act or under a BIA student assistance program is not counted as income in determining eligibility or benefit amount.

Payments that fit this category include:

- Pell Grants
- State Student Incentive Grants (SIG)
- Academic Achievement Incentive Scholarships
- Byrd Scholars
- Federal Supplemental Educational Opportunities Grants (FSEOG)
- Federal Educational Loans (Federal PLUS Loans, Perkins Loans, Stafford Loans, Ford Loans, etc.)
- Upward Bound
- Gear Up (Gaining Early Awareness and Readiness for Undergraduate Programs)
- LEAP (Leveraging Educational Assistance Partnership)
- SLEAP (Special Leveraging Educational Assistance Partnership)
- Work-Study Programs

Verify that the source of the education assistance is Title IV or BIA by viewing the individual's award letter. Contact the awarding institution if the award letter is not available or is unclear.

2. Other Education Assistance

Education assistance that is not funded under Title IV of the Higher Education Act or the BIA student assistance program funds is excluded as income if it is used or will be used for paying tuition fees, or other necessary education expenses at any

educational institution, including vocational, technical, and correspondence schools, and schools for people with disabilities.

Exception:

*Any portion of education assistance that will **NOT** be used or set aside for paying tuition, fees, or other necessary education expenses is countable unearned income.*

3. Work-Study Earned Income

College or university students may be enrolled in a work-study program in which they attend school part-time and work part-time at a job. Any income an applicant or recipient earns from employment in a work-study program will not be counted as income.

This disregard applies to both adults and children. The caseworker must verify that part-time employment of an applicant or recipient who claims to be in a work-study program is in fact a work-study job and not an individually acquired regular part-time job.

4. Loans

All bonafide loans, including educational, personal, and commercial loans, are disregarded as income. A bonafide loan is a debt that the borrower has an obligation to repay and expresses his or her intention to repay.

The bonafide nature of a loan must be verified and documented in the case file. Commercial and educational loans can normally be verified by seeing a copy of the written loan agreement or a document identifying the payment as a loan. In the case of personal loans, the verification must provide, at minimum, acknowledgment by the borrower and lender that an obligation to repay the loan exists, and acknowledgment by the borrower that they intend to repay the loan (with or without interest).

If it is determined the funds received are not from a bonafide loan (there is repayment obligation or the borrower has no intention of repayment), the amount received may or may not be countable income, depending on the source of the funds. All or some of the money may be exempt, such as a charitable contribution or excluded vendor payment, or counted as unearned income, such as a gift received directly from the source.

5. In-Kind Income

Any gain or benefit that is not in the form of money is exempt income, such as shelter, produce from a garden, clothing, non-cash employee benefits such as the Legal Trust benefit provided to State of Alaska employees, and non-cash assistance such as the Medicare Part D Low-Income Subsidy.

Exception:

Any payments made by a non-custodial parent to the household to pay for household expenses are countable. See [MS 7003-1\(B\)\(3\)](#) of this manual for more information.

6. Wages Held

Wages held by an employer without the employee's approval are exempt income, except for garnishments.

7. Recoupments

Recoupments are funds withheld from a benefit program, voluntarily or involuntarily, to repay a prior overpayment from that program. The amount withheld for a recoupment is **not counted** when determining the gross income from any benefit source.

The amount and reason for withheld funds from any source must be verified in order to determine if the funds were withheld due to a garnishment or a recoupment. Refer to [MS 7003-1\(C\)](#) for information on garnishments.

8. Public Housing and Section 8 Housing Choice Voucher Subsidies

The U.S. Department of Housing and Urban Development (HUD), through AHFC or a Native or Regional Housing Authority, and FHA make payments **directly to a landlord** for rent and/or utility costs. These payments are excluded vendor payments. The portion of the rent or utility bills paid by this payment is **not** allowed as a shelter expense.

However, when households that are in public housing or that receive Section 8 Housing Choice Voucher subsidies are responsible for paying utility costs, the AHFC or the Native or Regional Housing Authority may make a payment **to the household**. This payment is called a **utility allowance** or **utility reimbursement** and is **included** as income.

9. Alaska Native Claims Settlement Act Income

The first \$2,000 per year/per person of ANCSA Alaska Native corporation payments to shareholders are exempt. Any amount over the \$2,000 per person/per year is countable. Native corporation elder benefits are exempt.

10. Student Reimbursements or Allowances

11. Reimbursements

Reimbursements for past or future expenses, to the extent they do not exceed actual expenses and do not represent a gain or benefit to the household, are exempt. Reimbursements will not be considered to exceed actual expenses unless the provider or the household indicates the amount is excessive. Non-countable reimbursements include:

- Payments, including TANF supportive service payments, for job or training related expenses such as travel costs, per diem, uniforms, and transportation to and from the job or training site.
- Payments for medical expenses.

12. Monies Received for Care of Third Parties

Funds provided and used for the care of a third-party beneficiary who is not a household member (third party payee) are exempt. For example, a household receives child support for a child not living in the home. The household sends the child support to the child. This child support is **not** income to the household. This also includes situations where separate households share rent, and one household receives a rent payment from the other and pays the landlord. The household that pays the landlord would not have the money counted as income that was given to it by the other household to pay the rent.

13. ATAP Benefits

ATAP benefits are only countable to the household when the parent or caretaker relative receiving the benefit on behalf of the child(ren) are included in the household.

14. Earnings of Elementary and Secondary Students Under Age 18

Earned income of a student is exempt when an individual:

- Is under age 18; and,
- Lives with his or her parents or is under parental control of an adult household member; and,
- Is currently enrolled at least half-time in elementary or secondary school. This exclusion continues during semester breaks and summer vacation.

Note:

Applicants 18 years of age - When looking at applications with a household member that is 18 years old, use the date and signature of the application to determine if the person was 18 years old at the time the application was signed.

15. Volunteer Payments

Payments made under any program of the CNCS are excluded income. This income may be identified under a number of program names, including, but not limited to, AmeriCorps, AmeriCorps-VISTA, AmeriCorps-NCCP, National Senior Volunteer Corporation, Retired & Senior Volunteer Corps, Foster Grandparents Program, Senior Companion Program, and Vista Volunteer Income (a.k.a. Domestic Volunteer Service Act).

Payments received for support services or reimbursement for out-of-pocket expenses, such as lunches or transportation, made to an individual or volunteer are non-countable, exempt income.

16. Costs of Producing Self-Employment Income

These costs are exempt.

17. Mature Alaskans Seeking Skills Training (MASST) Payments

Allowances, earnings, and payments from an employer and funded by the MASST are exempt income. The MASST program, federally known as the SCSEP, is administered under Title V of the Older Americans Act, P.L. 100-175.

18. General Relief Assistance Payments

State of Alaska GRA program payments paid on behalf of the household to a vendor for household expenses such as rent, food, fuel, clothing, utilities, house repair, transportation, and burial are exempt.

BIA GRA program burial payments made to a vendor are excluded as income.

19. Major Disaster and Emergency Assistance

Any federal major disaster and emergency assistance or any comparable disaster assistance provided by states, local

governments, or disaster assistance organizations are exempt. Verification is not required unless the source of the funds is questionable.

20. Income Excluded by Federal Law

Income excluded by federal law is exempt. Refer to a partial list of these income types in [Addendum B](#).

21. Income Tax Returns

Federal income taxes are exempt.

22. Victims of Crime Compensation Payments

Any payment received from a fund established by a State to aid victims of crime is excluded from income.

23. Cash Gifts

Cash gifts under \$20 per person per month are non-countable.

24. Social Security Advances

This income is a loan from a financial institution to a person receiving direct deposit Social Security income. It is paid to the bank when the monthly SSA benefit is received.

25. JOBS Allowances

Allowances received under the Alaska JOBS Program.

26. SNAP Hold Harmless Payments

27. Veteran's Benefits Provided to Children of Vietnam

Veterans (including adult children) who were born with the congenital defect spina bifida.

28. Veteran's Benefits Paid to Children of Women Vietnam Veterans Born with Certain Other Birth Defects

- 29. Alaska Permanent Fund Dividend**
- 30. Alaska's Senior Benefits**
- 31. Jury Duty Payments Issued Directly to the Employer**
- 32. Reimbursement of Medical Expenses**
- 33. Income from a Reverse Mortgage**
- 34. Rebates**
- 35. The Portion of a Military Retirement Payment which goes to an Ex-Spouse Under a Divorce Decree Property Settlement is not Counted as Income to the Retiree**

Note:

Alimony is countable to the person receiving it, not the person paying it.

7003-3 SEASONAL EMPLOYMENT

A. Definition:

Seasonal employment means employment with a regular work season of 11 months or less that is compensated on a salary basis. Seasonal employment may also include irregular work schedules such as workers who are employed in mining, construction, ferry workers, and oil field and service workers who have rotating schedules, fluctuating payroll schedules, and seasonal layoffs that do not reflect income on a monthly basis. Workers with these irregular work schedules will have their income calculated using a 12-month average of all available income for the previous 12 months from the date they applied.

B. Verification:

Acceptable verification includes a completed seasonal work statement, DOL/SAM screen, 1099 form, or final settlement statement.

C. Budget:

Water Assistance prorates income from seasonal employment during the 12-month period receipt of the completed application, over a 12-month period, to determine the household's gross monthly income. To this amount the worker will add all additional income received in the prior month.

7003-4 INCOME FROM SELF-EMPLOYMENT

Self-employment endeavors vary depending upon the nature of each self-employment enterprise. Exact instructions fitting every situation are impossible to provide. Therefore, caseworkers must use prudent person judgement in determining all factors related to budgeting self-employment income and must carefully and thoroughly document relevant information.

Relevant information includes the type of verification used to determine adjusted gross self-employment income and allowable costs of doing business (noting expenses which are not allowed), the budgeting method used, and for seasonal self-employment income, the period of self-employment.

7003-4 A. DEFINITIONS RELATING TO SELF-EMPLOYMENT

1. Definition of Self-Employment

Self-employment is the process of actively earning income directly from one's own business, trade, or profession. Persons are considered self-employed if they:

- Are responsible for obtaining or providing a service or product,
- Earn income directly from their own business,
- Are not required to have federal income tax and FICA payments withheld from their earnings,
- Are not required to complete an IRS W4 form for an employer, and
- Are not covered by worker's compensation.

Self-employment may include income from a trade or business, hobby, commercial boarding house, rental property, or other income producing property. Examples of self-employed individuals include:

- | | |
|------------------|-----------------|
| • Grocers | • Storekeeper |
| • Farmers | • Trappers |
| • Subcontractors | • Craft persons |

- Childcare providers
- Cosmetic salesperson
- Door to door salesperson
- Persons that own & manage rental property
- Persons providing & charging room & board
- Basket weavers
- Carpenters
- Artists
- Repair person

2. Self-Employed Fisher Persons

Owners of fishing boats and individuals holding fishing permits are considered self-employed fisher persons if they are actively involved in the fishing operation.

Individuals who lease their boat or fishing permit and are not actively involved in the fishing operation are not considered self-employed fisher persons. In these cases, the income obtained from the lease of the boat or permit is considered rental property income.

3. Rental Income

Rental income is treated as self-employment income when the owner of the property is actively engaged in the management of the property at least 20 hours per week. The adjusted gross income is considered earned income.

When the property owner is not actively engaged in the management of the property for at least 20 hours per week, costs of doing business are deducted from the rental income and the adjusted gross income is considered unearned income. See [MS 7002-1](#), [MS 7003-1\(B\)](#), and [Addendum F](#).

Note:

Rental income received in a lump sum shall be averaged over the months intended.

Income received from the lease of a limited entry fishing permit is considered unearned rental income.

4. Monthly Self-Employment Income

Monthly self-employment income is self-employment income that is, or could be, earned on a monthly basis during any or all months throughout the year. Examples of individuals with monthly self-employment income include:

- Artists
- Taxi Drivers
- Craft Persons
- Ivory Carvers
- Basket Weavers
- Child Care Providers
- Cosmetic Salesperson
- Rental Property Owners

5. Seasonal Self-Employment Income

Seasonal self-employment income is self-employment income that is earned during a specified season or during part of a year. Examples of individuals with season self-employment income include:

- Fisher Persons
- Farmers
- Trappers
- Christmas Tree Lot Operators

6. Gross Self-Employment Income

Gross self-employment income means the total amount of money the trade or business produces. Gross self-employment income is computed by totaling the gross business receipts (income) for the

business enterprise. Allowable costs of doing business are not deducted in determining gross self-employment income.

7. Adjusted Gross Self-Employment Income

Adjusted gross self-employment income means the gross self-employment earnings less allowable costs of doing business. Allowable costs of doing business can be determined by using the self-employment standard deduction or actual costs of doing business. To determine adjusted gross self-employment income, subtract the total amount of allowable costs of doing business from the gross self-employment earnings. The amount of self-employment earnings countable to a self-employed individual is the adjusted gross self-employment income.

8. Self-Employment Costs of Doing Business

Self-employment costs of doing business can be determined by allowing the self-employment standard deduction from gross income or actual expenses if the household believes their costs were more than 50% of their gross earnings. Self-employment costs of doing business are those declared non-personal expenses that are directly related to producing the self-employment income, and which are not specifically prohibited. If an expense is determined to be an allowable cost of doing business, the expense is deducted in computing adjusted gross income whether it is paid or not.

Refer to [MS 7003-4\(B\)](#).

9. Durable Goods

Durable goods are items of value purchased for use in the self-employment enterprise that are normally used for more than one year or season and can usually be sold once the self-employment business ends. Durable goods include items such as:

- Office equipment
- File cabinets
- Transmission gears
- Electronic equipment

- Vehicles
- Photo lab equipment
- Farm equipment
- Livestock
- Boats/skiffs and their engines
- Fishing nets (gill nets, seine nets)
- Floats and buoys
- Spare engines
- Playground equipment

10. Period of Self-Employment

The period of self-employment is the number of months in which a seasonally self-employed individual is actively engaged in producing, or attempting to produce, self-employment income. The period of self-employment does not include months in which maintenance or preparation of tools or equipment is the only self-employment activity performed.

7003-4 B. COSTS OF DOING BUSINESS

Allowable costs of doing business are determined using either the self-employment standard deduction or actual allowable expenses. The worker must give the household the choice of using actual expenses if they believe their expenses exceed the amount allowed using the standard deduction. If the household chooses to use actual expenses, they must provide verification of the expenses.

See Example 3 below for an explanation of when to use the standard deduction and when to use actuals.

1. Using the Self-Employment Standard Deduction as Cost of Doing Business

The self-employment standard deduction is 50% of the estimated gross self-employment income.

Example:

Joe is self-employed as a carpenter. His gross self-employment income is \$2,000 per month. The allowable costs of doing business are \$1,000 ($\$2,000 \times 50\%$). Joe's adjusted gross self-employment income is \$1,000.

2. Using Actuals as Cost of Doing Business

If the household believes their self-employment expenses are higher than 50% of their gross self-employment income, they may claim actual expenses as their cost of doing business.

a. Expenses Allowed as Costs of Doing Business

Allowable costs of doing business, directly related to the business, include but are not limited to:

- Labor, including gross wages for an employee, employee life and health insurance premiums, and mandatory employer contributions to employee benefits plans such as Unemployment Insurance and Social Security.
- Payments made to a self-employed helper, such as costs for contracted work, shares paid to a self-employed crew member, etc.
- Stock and inventory, including the actual amount plus tax of a product purchase for resale.
- Raw materials.
- Purchase of durable goods.
- Interest and principal paid on loans to purchase durable goods.
- Insurance premiums, taxes, assessments, and utilities for income producing property.

If the household's home is used as the place of business, a percentage of the mortgage interest and principal, insurance, taxes, and utilities can be allowed as costs of doing business.

To be allowed these costs, the self-employed individual must provide a description of the portion of the home used in the business, proof of the gross amount of the expenses, and a reasonable method for estimating the proportion of expenses attributed to the business (such as a percentage of use, amount claimed under IRS rules, etc.)

The portion of the costs allowed as business expenses is not allowed as shelter costs in the heating assistance budget.

- Service, maintenance, and repair of business property and equipment.
- Rental of business property and equipment.
- Business supplies.
- Advertisement.
- Licenses and permit fees.
- Legal and professional fees, such as fees paid to lawyers and accountants.
- Business travel, including mileage and costs incurred by self-employed individuals to travel outside their community to work, sell goods or services, purchase business equipment, and seek repair of business equipment. Travel must be directly related to business. Transportation to and from work is not an allowable cost of doing business.
- Purchase of non-durable items.
- Vehicle expenses.

If a vehicle is used less than 50% of the time for self-employment reasons, allowable business-related expenses include gas, oil, registration and licensing fees, insurance, interest and principal payments on vehicle loans, necessary service and repairs, and replacement of worn items (such as tires.) **Do not** allow vehicle depreciation as a business expense.

If a vehicle is used less than 50% of the time for self-employment, allow the business mileage rate permitted by the

Internal Revenue Service. Refer to <https://www.irs.gov/tax-professionals/standard-mileage-rates> for current standard mileage rates.

The IRS business mileage rate is the only deductible expense allowed for a vehicle used less than 50% of the time for self-employment. To receive the mileage allowance, the self-employed individual must provide reasonable documentation of their business-related mileage.

- Year-round boat moorage
- Utility costs to maintain the boat year-round
- Crew meals and crew transportation, if paid by the self-employed individual

If the cost of meals for crewmembers is not identifiable, the allowable cost is determined by prorating the total cost of meals by the number of individuals on the boat. The result is the prorated cost for each individual. If food expense is deducted from the amount paid to a crewmember, the amount deducted is not allowed as a cost of doing business.

A meal deduction is not allowed for the self-employed individual or for any member of the household.

b. Expenses Not allowed as Costs of Doing Business

Expenses not allowed as costs of doing business are:

- Depreciation and amortization.
- Net losses from previous periods.
- Federal, state, and local income taxes.
- Monies set aside for retirement purposes except when paid for an employee who is not a member of the household.
- Personal work-related expenses, such as transportation to and from work and child or dependent care.
- Normal living expenses for the self-employed individual and his or her family, such as shelter and food.

- Personal costs for the self-employed individual and his or her family, such as life and medical insurance and entertainment.

3. Examples Clarifying the Use of the Standard Expense Deduction

Below are examples of actions taken using the standard expense deduction.

Example #1: Actual Expenses Total Less than the Standard Deduction

Maria applies for assistance and states she wants to claim actual expenses because she believes they are greater than 50% of her gross income. After receiving verification of her expenses, the worker determines her actual expenses are less than the standard deduction. The standard 50% deduction is allowed because it results in a higher benefit to the household. A clear explanation of why the standard deduction was used must be included in the notice to the client and this action documented on the ECOS notes screen.

Example #2: Requested Verification Not Provided

Brian submitted an application on October 2. He states he wants to claim actual expenses, so the worker pends the application for verification of these expenses. Brian did not provide proof of his expenses by the requested date. Instead of denying the application, the worker works the case and allows the 50% standard deduction. The notice to Brian must explain that the 50% standard deduction was used because he did not provide proof of his expenses by the requested date.

Example #3: Lack of Business Expenses

Carolyn reports she is self-employed as a dog walker. She has no expenses for her business. Since she has no expenses, the self-employment standard deduction is not allowed.

7003-4 C. VERIFICATION OF SELF-EMPLOYMENT INCOME AND EXPENSES

Written or verbal verification of self-employment income and expenses is required. Verification may include records showing the history of income and expenses, or documentation for what is expected to be received and spent in the future. Written verification is preferred and includes tax returns or business records. If written verification of self-employment income and expenses is not readily available, verbal verification is acceptable. Verbal verification can be received from collateral contacts or the self-employed individual. Verification of expenses, whether verbal or in writing, must contain enough information for the caseworker to determine allowable expenses. If an expense is not identifiable, the expense is not allowed as a cost of doing business. If the information received is questionable, additional clarification and verification must be sought. [Admin MS 105-1\(C\)](#) provides policy on when information is considered questionable.

1. Self-Employment Business Records

The self-employed person's written business records are the best and preferred method of verification. Self-employment has no employer verification. The self-employed person is the employer, and thus, business records maintained by the individual are acceptable verification.

The self-employed person has primary responsibility to tabulate the income and expense types and amounts in an organized manner. Acceptable business records range from informal personal records, such as a listing of receipts for business income and costs of doing business, to professionally prepared documents such as financial statements. If written business

records are not maintained or readily available, such as during a telephone interview, the statement of the self-employed person or collateral contact may be used.

The verification used must include sufficient information to determine when income was received, and costs incurred and if the costs are allowable. The caseworker should document the information including detail of the type of expense, the amount of the expense, and whether it is allowable. Individual receipts for income and costs may be requested if additional information is needed or any of the items listed are questionable.

2. Tax Forms

Income tax documents provide acceptable documentation of self-employment income and expenses. Such forms include: Form 1040 Individual Income Tax Return, Schedule C Profit or Loss from Business, Schedule E Supplemental Income and Loss, Schedule F Profit or Loss from Farming, Form 1065 Partnership Return of Income including Schedule K-1 Partner's Share of Income, and Form 1120-S, Income Tax Return for an S-Corporation including Schedule K-1 Shareholder's Share of Income.

Some costs of doing business allowed by the IRS, such as depreciation, are not allowable costs of doing business under public assistance program policy. When using tax forms as verification, review the claimed expenses, noting which are allowed under program rules.

3. Third Party Contacts

Written documentation from a third party verifying the self-employed person's income or expenses is acceptable. This may include verification from city or borough offices, taxicab stand owners, parent companies, fish processors/canneries, and the Department of Fish and Game.

7003-4 D. **UNIQUE SELF-EMPLOYMENT SITUATIONS**

1. Household Members as Employees

For some households, the self-employment enterprise involves more than one member. In some of these cases, household members may be paid wages, contract payments, or crew shares of the catch proceeds from the enterprise. In these situations, the payments are treated as follows:

- When a dependent child in the household receives payment of wages, contract payments, or crew shares for work in the self-employment enterprise, the amount paid to the child is **not** an allowable cost of doing business and the wages/shares do **not** count as income to the child. The amount paid to the child is not deducted from the gross self-employment income for the enterprise.
- When another adult in the household receives payment of wages, contract payments, or crew shares for work in the self-employment enterprise, the amount paid to the adult is an allowable cost of doing business when allowing actual deductions and the wages/shares count as earned income to the adult receiving the payment. The amount paid to the adult is deducted from the gross self-employment income for the enterprise.

In other situations, the self-employment enterprise may be established as a partnership or S-corporation and more than one household member may share in the total business income. In these situations, the income received is counted as income as described in the following section.

2. Partnerships and Corporations

Most self-employment enterprises are owned and operated by a single individual and all of the business income belongs to that individual. These are known as **sole proprietorships** and the individual's countable income from these enterprises is determined by subtracting the total allowable costs of doing

business from the total business receipts. Any salary or disbursement received by the individual from the business is not considered in the calculation of the gross self-employment income. These amounts are not allowable costs of doing business and are not deducted from the gross self-employment income for the enterprise.

Self-employment enterprises may also be formed as partnerships and corporations, which means that business income is shared.

Following are descriptions of these types of enterprises.

a. Partnerships

Some enterprises involve a partnership, which means two or more individuals have agreed to manage the business together and share the business income. A written agreement is not required for a partnership to exist, but there may be one. An individual's countable income from these enterprises is determined by subtracting the total allowable costs of doing business from the total business receipts and dividing the amount by each partner's share. The share of income from a partnership is countable even if it is not distributed. Any salary or disbursements received by the individual from the business is not considered in the calculation of the gross self-employment income. These amounts are not allowable costs of doing business and are not deducted from the gross self-employment income for the enterprise.

A partnership is required to file an income tax Form 1065 Partnership Return of Income including Schedule K-1 Partner's Share of Income, which shows the income and expenses for the business. Unless the partnership is a new business, each partner should have a copy of these forms for reporting their share of the income.

Some partnerships involve a general partner, who is actively involved in operating the business, and a limited partner, who is an investor only, not an active participant. The general partner is considered self-employed and their portion of the income from the partnership counts as self-employment income. Any

income received by the limited partner is treated as unearned income.

b. Corporations

A business may be a corporation, which is a distinct legal entity with legal status separate from the individuals who form it. One type of corporation, the S-corporation, is considered a self-employment enterprise. It confers a special tax status to shareholders and operates like a partnership. Income from an S-corporation is taxed at the individual level and is treated like self-employment income from a partnership. The income is passed through to the shareholders based on each shareholder's pro rata share.

The S-corporation must file a Form 1120-S, Income Tax Return for an S-Corporation including Schedule K-1 Shareholder's Share of Income. Unless the corporation is a new business, each shareholder should have a copy of these forms for reporting their share of the income.

Another type of corporation, the C-corporation, is **not** considered to be self-employment enterprise. In the C-corporation, taxes are paid on business income by the corporation and not by the stockholders. If profits are distributed to the stockholders as dividends, the dividend is treated as unearned income to the stockholder. An individual may receive a salary from a C-corporation. The salary is counted as wages, not self-employment income, even if the individual is the primary stockholder in the corporation. Such wages may include in-kind compensation resulting from the business paying for personal and household bills. Stocks that individuals own in these corporations are counted as resources, even if they are not publicly traded on the stock market.

7003-4 E. SELF-EMPLOYMENT ANNUALIZATION STANDARD

AKH2O establishes a self-employment annualization standard. The annualization standard is used to determine if a prior month figure can be used for very low-income households with self-employment income, rather than the 12-month computation.

To apply the annualization standard, the caseworker compares the gross amount of the self-employment venture (before expenses) with the annualization standard. If the total annual gross self-employment income is less than the annualization standard, the worker will compute net self-employment income using the prior calendar month or an average. The annualization standard method will not be used if it results in an over income denial. The previous 12-month income average will be used to determine eligibility in this situation.

Self-Employment Annualization Standards		
(Effective October 1, 2022 - September 30, 2023)		
Size of Household	Monthly Guideline	Annual Guideline
1	\$2,123	\$25,000
2	\$2,861	\$34,000
3	\$3,599	\$43,000
4	\$4,335	\$52,000
5	\$5,073	\$60,000
6	\$5,811	\$69,000
7	\$6,548	\$78,000
8	\$7,286	\$87,000
9	\$8,024	\$96,000
10	\$8,760	\$105,000
11	\$9,498	\$113,000
12	\$10,236	\$122,000
13	\$10,973	\$131,000

14	\$11,711	\$140,000
15	\$12,449	\$149,000
16	\$13,185	\$158,000
17	\$13,923	\$167,000
18	\$14,661	\$175,000
All dollars rounded down by \$1000. Based on January 2022 Federal Register Notice.		

7003-5 **MILITARY PAY**

Members of the military receive their wages through the LES. This statement reflects a military person's monthly payments and allowances, tax deductions, and other allotments that are deducted from their gross pay. Please see [Addendum C](#) for a detailed list of LES Entitlement, Deduction and Allotment definitions and instructions on how to count each in the military household's benefit determination.

How the resources, income, and deductions of military personnel affect the household's benefits depends on:

- The military person's location,
- The military person's deployment status, and
- Program policy.

Please see [MS 7002-1](#) of this manual for more information about household composition.

7003-5 A. **RESOURCES**

Types of resources typical to a military person's household are as follows:

1. Joint bank account.

If the military person is deployed, any monies deposited into a joint bank account and accessible to the household will count as unearned income to the household in the month received and as a resource the following month. However, the amount of money from a joint account used by a deployed individual is not countable income to the family.

2. Bonuses for reenlistment and special pay for warfare.

Bonuses paid to a military person will appear in the **Entitlements** section of the LES. Lump sums are countable in the month they received.

3. Vehicles.

There is no special treatment for the vehicles of military families.

4. The Thrift Savings Plan (TSP).

This is a form of a government employee retirement plan and is an excluded resource as long as the employee does not withdraw the funds.

5. Savings bonds.

The cash in value of a savings bond is a countable resource once the funds can be accessed.

7003-5 B. INCOME

A military person's income is treated differently if the military person is living with the household or if the person is deployed.

Note:

The income on the LES is considered as monthly income, even when the military person receives a mid-month check.

1. Earned Income

a. Countable Income

If the military person is living in the home, payments and allowances shown in the **Entitlements** section of the LES will be considered earned income and counted in the budget. The most common of these are base pay, or basic pay, basic allowance for subsistence (BAS), a military person's food allowance, and basic allowance for housing (BAH).

If the allowance is listed in the **Entitlements** section and is also listed in the **Deductions** or **Allotments** section of the LES,

count only the amount above the **Deductions** or **Allotments** amount as earned income in the budget.

1. Housing and food allowance (BAS, BAQ, or BAH):

- Households living on base: exempt as in-kind income.
- Households living off base who receive the allowance directly: counts as earned income.
- Households living on or off base whose housing expenses are paid directly to the vendor: exempt vendor payment.

Note:

BAS is counted as income to the family. Families that live on base are allowed this income and while BAH is excluded because it is paid directly to the vendor, BAS is paid in cash to the family for food items.

2. Bonuses are paid to a military person will appear in the **Entitlements** section of the LES. If a bonus is received in a lump sum, it is exempt as income under the non-recurring lump sum provision but is counted as a resource in the month received. If the bonus is paid in installments, it counts as earned income in the month received.

Example:

Doug and his family move to a new off-base location. He receives his monthly rent on his LES. His BAH allotment in the entitlement column is \$1500. Doug's landlord verifies that his monthly rent is \$1300. The \$1500 BAH is countable earned income and rent of \$1300 is allowed as a shelter deduction.

b. Excluded Income

- Exclude the amount of the Clothing Maintenance Allowance (CMA) used to purchase clothing as a reimbursement.
- Dislocation Allowance (DLA) or any other allowance which are one-time payments, will only count as earned income if the allowance can be anticipated.
- The portion of a military retirement payment which goes to an ex-spouse under a divorce decree property settlement is not counted as income to the retiree.

Example:

William receives his LES and it shows a CMA of \$125 in the entitlement column. In the deduction column, the CMA is listed as \$100. Even though William did not spend the entire amount of the clothing allowance, the entire \$125 is exempt income.

2. Unearned Income

a. Deposit to a Joint Account

The amount that a deployed military person deposits to a joint account will be counted as unearned income to the household. Any amount spent by the deployed member is not available to the household so is not counted as income.

Example:

Bill is in the military and receives \$1000 per month in wages. Bill's wife Virginia and their daughter Anna have an open case. Bill has his military pay deposited into a bank account in his name only; Virginia has no access to the funds or to the account. Do not count any of Bill's income in the eligibility determination for Virginia and Anna.

Example:

Joe is in the military. His paycheck is \$1000 a month. He deposits \$500 into his account and \$500 into a joint account with his wife, Andrea. The \$500 deposited into the joint account is budgeted as unearned income to the household. Since Andrea does not have access to Joe's account, only the amount deposited in their joint account counts.

Example:

Ralph is in the military making \$1200 a month. An allotment check of \$1000 is paid directly to his wife Karla and \$200 to himself. The money sent to Karla counts as unearned income.

Example:

Bill is in the military making \$1500 a month. He deposits the entire amount into a joint account with his wife, Joy. Bill uses his debit card to access monies from this account for his personal use. The money that Bill withdraws is not accessible to Joy, so it does not count as income.

b. Combat Pay

Combat pay is exempt when determining eligibility. Disregard any amount of combat pay that goes to the household in excess of the military person's pre-deployment earnings.

Combat pay will be listed in the **Entitlements** column and may appear as follows:

- Combat pay
- Hostile fire pay
- SAVE pay

- Imminent danger pay
 - Incentive pay for hazardous duty
 - Hardship duty pay-Location
 - Hardship duty pay-Mission
 - Hardship duty pay-Involuntary Extension
-

Note:

Combat zones are designated by an Executive Order from the President as areas in which the U.S. Armed Forces are engaging or have engaged in combat. For combat pay to be excluded as income, the military person must be deployed to one of the combat zones listed at: <https://www.irs.gov/newsroom/combat-zones>.

c. Budgeting Combat Pay

1. If the military person was in the household before deployment, the amount of their military pay is countable earned income.
 2. If the military person was not in the household before deployment, the amount provided to the household before deployment is considered countable unearned income.
 3. Once the military person is deployed to a combat zone:
 - If the amount provided to the household is equal to or less than the amount provided before deployment, the amount provided is countable unearned income.
 - If the amount provided to the household is more than the amount provided before deployment, the additional amount is considered exempt combat pay.
-

Example:

Mike is in the military stationed overseas. Mike's wife Bonnie and their daughter have an open case. Mike sends his \$1000 every month. When Mike is deployed to a combat zone, his pay is increased to \$1300 a month, which is deposited into a joint account. The additional

\$300 is considered combat pay and is exempt. The remaining \$1000 is budgeted as countable unearned income because that's the amount she was receiving before Mike was deployed to a combat zone.

3. Deductions

There are certain allowable expenses that are specific to a military person's pay. Listed below are allowable expenses that are located in the **Deductions** column of the LES.

a. Housing Allowances (BAQ or BAH):

- Households living on base whose housing is paid as in-kind income: no deductions are allowed for expenses paid by in-kind income.
- Households living off base whose housing allowance is received directly: shelter deductions paid by the household are allowed.
- Households living on or off base whose housing expenses are paid directly to the vendor: no shelter deductions are allowed for expenses paid via a vendor payment.

b. Support or Community Debt

This deduction is either a spousal or child support obligation. A deduction is allowed for the monthly child support obligation if verified by a court order or through CSSD.

7003-6 GUIDELINES FOR COMPUTING INCOME

The Water Assistance program counts all income for the household in the month prior to the application being received. Water Assistance does not prospect income into the future to determine the benefit amount. The cents on the final income amounts of 50 cents or more are rounded up to the nearest dollar. Amounts of 49 cents or less are rounded down.

If a household member worked a variable work schedule, such as workers who are employed in mining, construction, ferry workers, on-call workers, and oil field and service workers who have rotating schedules, fluctuating payroll schedules, and/or seasonal lay-offs that do not reflect income on a monthly basis, AKH2O will calculate their income using a 12 month average of all available income for the previous 12 months from the date they applied.

A household that is over income based on income from the month prior to receipt of the application but is eligible in the month the application is received does not have to reapply. The same application is used for the determination of eligibility for the subsequent month.

Income from **all** members in the household, including illegal aliens, is counted, except **earned** income from **students** under the age of 18, who are not the head of the household. The notice must include what income was counted, who received the income, the source of income, and the calculation of the income in making the eligibility determination.

All unearned income is counted, unless it is specifically listed in [MS 7003-2](#) of this manual, Non-Countable Income.

If the household's income is not clearly indicated on the application and cannot be ascertained through the other information resources available, the application should be pended for this information.

7003-7 INCOME GRID

For a quick reference regarding countable and non-countable income, please see [Addendum F](#).

7004 DETERMINING ELIGIBILITY AND BENEFIT LEVEL

7004-1 ELIGIBILITY DETERMINATION TIME FRAMES

A. One Award Per Season

Only one water assistance grant is awarded per household. If the program is extended for a second season a new application date will be established for a second award.

If funding remains at the end of the season, a supplement may be issued to each household receiving benefits before the end of the funding expiration.

B. Processing Time Frames

1. Water Assistance

AKH2O will make an eligibility determination and mail the "Notice of Action" to the applicant within 45 days after receipt of the completed application. See [MS 7001-2\(E\)](#) for what constitutes a completed application.

2. Expedited Water Assistance

An applicant qualifying for an expedited eligibility determination will have the eligibility determination completed and assistance awarded within 7 days, after receipt of a complete application.

7004-2 ASSISTANCE CATEGORIES

The household size, the residence address, the income in the household and whether the household has a shutoff notice are factors in determining the benefit level. This information should be recorded in ECOS for each individual in the household on the "Application Members" screen. Income information related to these categories should be recorded on the "Income" screen.

Other categories tracked in ECOS include:

- Veterans Disability Benefits – recorded for each applicable individual in the household on the "Application Members" and "Income" screens in ECOS.
- SNAP – recorded for each applicable individual in the household on the "Application Summary" screen in ECOS.
- ATAP/TANF – recorded on the "Application Summary" and "Income" screens in ECOS.
- Disabled – recorded for each applicable individual in the household on the "Application Members" and "Income" screens in ECOS.
- Supplemental Security Income – recorded for each applicable individual in the household on the "Income" screen in ECOS.
- Adult Public Assistance – recorded for each applicable individual in the household on the "Application Summary" and "Income" screens in ECOS.
- Elderly – recorded for each applicable individual in the household on the "Application Members" screen in ECOS.
- Unemployment Insurance Benefits (UIB) – recorded for each applicable individual in the household on the "Income" screen in ECOS.

7004-3 GRANT COMPUTATION

Step 1 – Determine Household Size

Determine the number of household members. This will determine the number of water cost points.

Step 2 – Multiply by the Income Factor

Verify each household's gross income for the month prior to application. Verification may be provided through documentary evidence (wage stub, award letter, etc.), DPA and DOL records, or impartial third parties such as fee agents, village council representatives, or social service agencies.

Assign each household the following percentage of water cost points based upon the household's gross monthly income and family size, expressed as a percentage of the Alaska poverty level. The Alaska poverty level figures are included in [Addendum D](#).

- 100 percent of points if the household's gross monthly income is no more than 25 percent of Alaska's federal poverty level
- 90 percent of points if the household's gross monthly income is more than 25 percent but no more than 50 percent of Alaska's FPL
- 80 percent of points if the household's gross monthly income is more than 50 percent but no more than 75 percent of Alaska's FPL
- 70 percent of points if the household's gross monthly income is more than 75 percent but no more than 100 percent of Alaska's FPL
- 60 percent of points if the household's gross monthly income is more than 100 percent but no more than 125 percent of Alaska's FPL
- 50 percent of points if the household's gross monthly income is more than 125 percent of Alaska's FPL but no more than 150 percent

If the household's gross monthly income exceeds the maximum allowable FPL, the household is not eligible.

Step 3 – Subsidized Housing Adjustment – If Applicable

Households residing in any type of subsidized housing who are responsible for paying all or a portion of their water costs directly to a vendor and who also receive a utility allowance as part of their housing cost calculation shall have their benefit reduced by 50 percent regardless of the amount of the utility allowance for water.

Note:

Applicants living in subsidized housing and participating in a step-down program that automatically decreases the rental assistance subsidy paid by the authority after year one, for example AHFC, should be treated as a regular application with no utility allowance after the first year.

Step 4 – Multiply by the Benefit Rate to Determine Household Benefit

ECOS will multiply the final water points by the benefit rate (250) to determine the amount of the household's water assistance.

The following examples illustrate how a household's water assistance benefit is determined using the above steps.

Step 5 – Priority Groups

If the household has a shutoff notice or services have been shut off the benefit amount is the amount it costs to restore services. The formula does not determine the benefit amount for these households. There is not a maximum benefit for these households.

Example 1			
Step 1.	Household Size	Anchorage	Benefit Calculation: 4
Step 2.	Income	\$3,000	100.1-125% of poverty = 60% 4 points x 0.6 = 2.4 points
Step 3.	Subsidized Housing	No	2.4
Step 4.	Multiply by 250		2.4 x 250 = \$600
Step 5.	Shutoff Notice	No	\$60
Example 2			
Step 1.	Household Size	Fairbanks	Benefit calculation: 1
Step 2.	Income	\$2,000	125.01-150% of poverty = 50% 1 point x 0.5 = .5
Step 3.	Subsidized Housing	Yes	.5 x .5 = 0.25
Step 4.	Shutoff Notice	No	.25
Step 5.	Multiply by benefit rate		.25 points x \$250 = \$62.50
Example 3			
Step 1.	Household Size	5	Benefit calculation: 5
Step 2.	Income	\$2,900	75.01-100% of poverty = 70% 5 points x 0.7 = 3.5
Step 3.	Subsidized Housing	No	3.5 points
Step 4.	Shutoff Notice	No	3.5 points
Step 5.	Multiply by benefit rate		3.5 points x \$250 = \$875
Example 4			
Step 1.	Household Size	Anchorage	Benefit calculation: 1 point
Step 2.	Income	\$1,900	125.01-150% of poverty = 50% 1 x .5 = .5 points

Step 3.	Subsidized Housing	No	.5
Step 4.	Shutoff Notice	Yes	Points are disregarded
Step 5.	Amount needed to restore service = \$2,700		Benefit Issued for \$2700

7005 EXPEDITE CASES

7005-1 EXPEDITED APPLICATIONS

Expedited service is provided to households facing immediate service termination or who are without water providing the household meets the eligibility criteria. Expedited service results in a promise of payment (pledge to vendor) to remedy the water emergency. Only one expedite request is allowed.

7005-1 A. CRITERIA FOR EXPEDITED PROCESSING

Expedited service is provided to a household only if **all** of the following expedited service criteria are met:

- the applicant has requested expedited service
- the household's gross income is less than their shelter cost

Shelter cost means:

1. the sum of the household's regular monthly rent or mortgage obligation for the shelter it currently occupies, plus
 2. the cost of 30 days of water up to a maximum of \$200. May include a past due amount, delinquent amount, and deposit and reconnect fee. If actual water costs are not available, use the maximums stated herein.
- the applicant has suffered or will suffer within 48 hours, termination of water services or a renter who will be evicted for nonpayment of rent where their water is included in their rent; and
 - the applicant has submitted a complete, verified, and signed application, including a rent receipt or rental agreement if water is included in the rent.
 - the applicant must submit a copy of the shut-off notice or written notification from the vendor including the date of the proposed action and the past due amount. If this information is not provided, the caseworker must verbally attempt to obtain verification of the shut-off through the

vendor. An attempt to contact the vendor must be written in the case note before the casework pends the application.

Note:

If there is a business operating out of the home and a portion of the costs are allowed as a business expense, that portion of their mortgage is not allowed as a shelter cost.

Any subsidies directly paid to a landlord or utility company are not allowed shelter costs. See [MS 7003-2](#) for further clarification.

7005-1 B. EXPEDITED TIMEFRAMES

Expedited eligibility service is available as soon as applications are available to the public.

Applicants eligible for expedited service will be provided assistance no later than 7 days after they submit a completed application. Households facing a shut off situation should be directed to complete an application over the phone including a telephonic signature if they have not submitted a completed application.

7007 SPECIALIZED PROCEDURES

7007-1 SUBSIDIZED WATER AND APPLICATION PROCESSING

Applications involving subsidized heat are handled in the following manner:

- An applicant residing in subsidized housing and pays directly for water will qualify for a partial or full benefit depending on if they are also receiving a utility allowance. The caseworker must contact the housing authority for a current client rental worksheet to determine if they are receiving a utility allowance as part of their rental calculation. If the household is receiving any type of utility allowance for water, the water assistance benefit is processed normally and the final amount is reduced by 50 percent because they are already receiving a subsidy towards water costs.

If the applicant is not receiving a utility allowance and is paying for their water, their benefit is processed normally, and they are awarded a full benefit.

If the household pays directly for water costs and the worker determines the household is in the LIHTC Program, Tax Credit Program, or other home purchase program, the caseworker will contact the housing authority to determine if there is a monthly utility allowance. If there is no subsidized utility allowance, the case is processed as any other homeowner or renter. If there is a utility allowance, the household should receive a 50 percent benefit.

7007-2 HUD AND OTHER HOUSING AUTHORITIES, MUTUAL HELP OR HOME PURCHASE PROGRAMS

For all other housing information, it must be obtained from the unit's Property Manager. Refer to [Addendum E](#) for Native Housing Authority property manager contact information.

7007-2 A. MUTUAL HELP

USDA Mutual Self-Help Loan program and HUD Mutual Help Homeownership Programs are used primarily to help low-income households obtain financial assistance for the construction of individual homes. If a Mutual Help program applicant applies for assistance the caseworker must obtain copies of the utility worksheet from the housing program (if the applicant has not provided it). If the worksheet confirms the household is receiving a utility allowance, they are eligible for 50 percent of the benefit. If they do not receive a utility allowance, they are eligible to receive 100 percent of the benefit.

7007-2 B. LOW INCOME TAX CREDIT PROGRAMS (LITC)

May be a home ownership or rental program, such as T&H in Southeast Alaska and is generally not considered subsidized housing unless there is a utility allowance. This program's credit is usually on favor of the developer. If there is a utility allowance, through AHFC or other program, then process accordingly under subsidized housing guidelines. If water is included in the rent, and there is no utility allowance for water, process as water included in rent non-subsidized water case.

Note:

Some LITC properties may have a mix of low-income, fair market and Section 8 housing vouchers in one complex. The caseworker must research the correct housing program for each household applying to determine the correct method of calculating the grant.

7008 ISSUING BENEFITS & PAYMENTS

7008-1 USE OF AKH2O PAYMENTS

7008-1 A. WATER ASSISTANCE PAYMENTS CAN ONLY BE USED FOR THE PURCHASE OF:

- Water services, including the amount required to reestablish services or ongoing services
- Payment of incidental charges, including deposits, delivery charges, connection fees, and late-payment charges associated with purchase or delivery
- Rental payments if the household pays water costs indirectly through rent

7008-1 B. WATER ASSISTANCE PAYMENTS CANNOT BE USED FOR:

- Other utility costs

7008-2 METHODS OF PAYMENT

7008-2 A. VENDOR PAYMENT

Payment is primarily issued directly to the applicant's vendor(s), who credits the payment to the household's account.

If an applicant's water service is in the landlord's name (and this service is solely for the applicant's dwelling), the grant is issued to the water vendor under the applicant's name. If the vendor refuses to apply the payment, a refund must be requested, and the benefit is then issued directly to the client.

Vendor payments are made only to vendors listed in ECOS, which means that they have signed a vendor agreement with the DPA Water Assistance Program and agree to the conditions contained in the agreement.

AKH2O vendors must avert disconnection of service, reconnect discontinued service, or credit the benefit to the customer's account upon notification that the household is entitled to receive water assistance.

Applicants do **not** have the option to request a direct cash payment in order to "shop around for the best water price." The applicant must name the vendor from whom they intend to purchase the water.

Applicants are not allowed to switch vendors after the grant has been issued unless they move out of the area.

7008-3 GRANT TRANSFERS

- If a recipient moves their physical residence from one community to, the recipient may request that their remaining balance be transferred to their new water vendor. The original vendor must send any remaining balance back. DPA will reissue to the new vendor in the new service area.
- In special situations, a vendor may transfer a grant to another directly in their community at the request of the AKH2O Coordinator. The circumstances for the situation must be documented in case notes in ECOS.
- If a recipient moves to a dwelling where the water is included in the rent, their grant refund will be issued to the vendor of their new dwelling.
- If a recipient moves without closing their account or leaving a forwarding address, the vendor should refund the remaining credit balance to the state after one year.
- If the household moves out of state, the remaining grant is refunded to DPA and is not reissued to the client or an out-of-state vendor.
- A recipient may **not** request a transfer to a new vendor if they have not moved to a new community unless their designated vendor goes out of business or is unable to provide water when needed.

7009 FAIR HEARINGS

A fair hearing provides the opportunity for an individual or household to have their case reviewed by an impartial party or authority outside DPA. An opportunity for a fair hearing must be granted to an applicant who requests a hearing in writing within 30 days of the mailing of the notice of action. The hearing must be requested in writing.

Clients are also notified of their right to a fair hearing on the back of most notices sent to the household. This information includes:

- How they may request a fair hearing
- That, if necessary, the agency will assist them in making the request
- The timeframe allowed to request a fair hearing

For fair hearing availability, policies, and procedures, refer to [Admin MS 117](#).

7010 FRAUD

If a vendor commits fraud, they will be asked to repay any monies due to the state and will be removed from the Approved Vendor List.

A witness to fraudulent behavior can verbally report to DPA's VCC at 1-800-478-7778 or submit a report in writing via email to hss.dpa.offices@alaska.gov.

**ADDENDUM A
FFY 2022
Tribal Providers**

**Aniak Traditional Council (serving
Aniak only)**

Jasmin Simeon, LIHEAP Coordinator
P.O. Box 349
Aniak, AK 99557
aniakliheap@gmail.com
Ph: 907-675-4349
Fax: 907-675-4513

Kenaitze Indian Tribe I.R.A. (KIT)

Vacant / Roberta Turner
P.O. Box 988
Kenai, AK 99611
Vacant / rturner@kenaitze.org
Ph: 907-335-7600
Fax: 907-335-7239

Orutsaramiut Native Council (ONC)

Mary Simon
P.O. Box 927
Bethel, AK 99559
msimon@nativecouncil.org
Ph: 907-543-2608
Fax: 907-543-2639

Seldovia Village Tribe (SVT)

Crystal Collier
P.O. Drawer L
Seldovia, AK 99663
ccollier@svt.org
Ph: 907-234-7898
Fax: 907-234-7865

**Tlingit-Haida Regional Housing
Authority (THRHA)**

Megan Lingle
P.O. Box 32237
Juneau, AK 99803-2237
mlingle@thrha.org
Ph: 907-780-6868
Fax: 1-866-232-3681
Direct: 907-780-3122

ADDENDUM B

Income Excluded By Federal Law

Section 5(d)(10) of the Food Stamp Act and Section 273.9(c)(10) of the regulations require the exclusion from income of any payments specifically excluded by any other Federal law. Section 273.8(e)(11) requires the exclusion of resources which are specifically excluded for SNAP purposes by express provision of any other Federal law. Certain payments under the following laws are among those excluded. The list is broken down into two parts.

Part A -- GENERAL

1. P. L. 79-369, Section 12(e) of the National School Lunch Act, as amended by Section 9(d) of P. L. 94-105, provides that,
 - The value of assistance to children under this Act shall not be considered to be income or resources for any purposes under Federal or State laws, including laws relating to taxation and welfare and public assistance programs.
 - This law authorizes the School Lunch Program, the Summer Food Service Program for Children, the Commodity Distribution Program, and the Child and Adult Care Food Program. Note that the exclusion applies to assistance provided to children rather than that paid to providers.
2. P. L. 89-642, the Child Nutrition Act of 1966, Section 11(b), provides in part that,
 - The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs.

This law authorizes the Special Milk Program, the School Breakfast Program, and the Special Supplemental Food Program for women, infants, and children (WIC).

3. P. L. 91-646, Section 216, the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970.

Reimbursements are excluded from income and resources.

4. P. L. 93-113, the Domestic Volunteer Services Act of 1973, Titles I and II, as amended.

Payments under Title I of that Act, including payments from such Title I programs as VISTA, University Year for Action, and Urban Crime Prevention Program, to volunteers shall be excluded for those individuals receiving SNAP or public assistance at the time they joined the Title I program, except that households which were receiving an income exclusion for a Vista or other Title I Subsistence allowance at the time of conversion to the Food Stamp Act of 1977 shall continue to receive an income exclusion for VISTA for the length of their volunteer contraction in effect at the time of conversion. Temporary interruptions in food stamp participation shall not alter the exclusion once an initial determination has been made. New applicants who were not receiving public assistance or SNAP at the time they joined VISTA shall have these volunteer payments included as earned income.

Payments to volunteers under Title II, including the Retired Senior Volunteer Program (RSVP), Foster Grandparents Program, and Senior Companion Program, are excluded from income.

5. P. L. 93-288, Section 312(d), the Disaster Relief Act of 1974, as amended by P. L. 100-707,

Section 105(i), the Disaster Relief and Emergency Assistance Amendments of 1988, 11/23/88.

Payments precipitated by an emergency or major disaster as defined in this Act, as amended, are not counted as income or resources for food stamp purposes. This exclusion applies to Federal assistance provided to persons directly affected and to comparable disaster assistance provided by States, local governments, and disaster assistance organizations.

A major disaster is any natural catastrophe such as a hurricane or drought, or, regardless of cause, any fire, flood, or explosion, which the President determines causes damage of sufficient severity and magnitude to warrant major disaster assistance to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

An emergency is any occasion or instance for which the President determines that Federal assistance is needed to supplant State and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe.

Most, but not all, Federal Emergency Management Assistance (FEMA) funds are excluded. For example, some payments made to homeless

people to pay for rent, mortgage, food, and utility assistance when there is no major disaster or emergency is not excluded under this provision.

6. P. L. 97-300, the Job Training Partnership Act (JTPA), 10/13/82.

Section 142(b) provides that allowances, earnings and payments to individuals participating in programs under JTPA shall not be considered as income. Subsequently P. L. 99-198, the Food Security Act of 1985, 12/85, amended section 5(l) of the Food Stamp Act to require counting as income on-the-job training payments provided under section 204(5) of Title II of the JTPA except for dependents less than 19 years old.

Section 702(b) of P. L. 102-367, the Job Training Reform Amendments of 1992, further amended the Food Stamp Act (by changing the reference from section 204(5) to sections 204(b)(1)(C) [payments to adults] and 264(c)(1)(A) [year-round payments to youths]) to exclude on-the-job training payments received under the Summer Youth Employment and Training Program. This means that currently only on-the-job training payments to:

1. youths, other than dependents under 19, in year-round programs and
2. adults can be counted. All other JTPA income is excluded.

7. P. L. 99-425, Section (e), the Low-Income Home Energy Assistance Act, 9/30/86.

The amount of any home energy assistance payments or allowances provided directly to, or indirectly on behalf of, a household is excluded from income and resources. In determining any excess shelter expense deduction, the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses.

8. P. L. 99-498, the Higher Education Act Amendments of 1986, Section 479B, as amended by P. L. 100-50, June 3, 1987.

Amounts made available for tuition and fees and, for students attending an institution at least half-time, books, supplies, transportation, and miscellaneous personal expenses (other than room, board, and dependent care) provided under Title IV of the Act and by the Bureau of Indian Affairs were excluded from income and resources.

P. L. 102-325, the Higher Education Amendments of 1992, dated 7/23/92, contain two separate provisions that affect the treatment of payments made under the Higher Education Act. In regard to Title IV -- Student Assistance, Part F, Section 479B provides that:

Notwithstanding any other provision of law, student financial assistance received under this title, or under Bureau of Indian Affairs student assistance programs, shall not be taken into account in determining the need or eligibility of any person for benefits or assistance, or the amount of such benefits or assistance, under any Federal, State, or local program financed in whole or in part with Federal funds.

Student assistance authorized under Title IV includes the following: (State and local agencies select students for some of these programs. In addition, some State and local agencies have separate programs of their own with similar names.)

- Basic Educational Opportunity Grants (BEOG or Federal Pell Grants)
- Presidential Access Scholarships (PAS-Super Pell Grants)
- Federal Supplemental Educational Opportunity Grants (FSEOG)
- State Student Incentives Grants (SSIGS)
- Federal Direct Student Loan Programs (FDSLPL)(Formerly GSL and FFELP):
 - Federal Direct Supplemental Loan Program (provides loans to students)
 - Federal Direct PLUS Program (provides loans to parents)
 - Federal Direct Stafford Loan Program,
 - Federal Direct Unsubsidized Stafford Loan Program, and
 - Federal Consolidated Loan Program
- Federal Perkins Loan Program - Direct loans to students in institutions of higher education (Perkins Loans, formerly NDSL)
- Federal Work Study Program (Note: Not all Federal work study funds come under Title IV of the Higher Education Act.)
- TRIO Grants (Go to organizations or institutions for students from disadvantaged backgrounds):
 - Upward Bound (Some stipends go to students)
 - Student Support Services
 - Robert E. McNair Post-Baccalaureate Achievement
- Robert C. Byrd Honors Scholarship Program
- College Assistance Migrant Program (CAMP) for students whose families are engaged in migrant and seasonal farm work
- High School Equivalency Program (HEP)
- National Early Intervention Scholarship and Partnership Program (NEISP).

There is only one BIA student assistance program per se. It is the Higher Education Grant Program, which is sometimes called the Scholarship Grant Program. However, education or training assistance received under any BIA program must be excluded. There is an Adult Education Program that provides money to adults to get a GED, attend technical schools, and for job training. There is also an employment assistance program. In addition, education and training may be made available under separate programs like the Indian Child and Family Programs. Each tribe has a BIA agency that may be contacted for more information about education and training assistance.

Section 480(b) provides that:

The changes made in part F of title IV of the Act by the amendment made by this section shall apply with respect to determinations of need under such part F for award years beginning on or after July 1, 1993.

Title XIII, Indian Higher Education Programs, Part E -- Tribal Development Student Assistance Revolving Loan Program (Tribal Development Student Assistance Act), Section 1343(c) provides in part that:

... for purposes of determining eligibility, loans provided under this program may not be considered in needs analysis under any other Federal law, and may not penalize students in determining eligibility for other funds.

The Part E exclusion was effective October 1, 1992.

P. L. 98-524, the Carl D. Perkins Vocational Education Act, Section 507, as amended by P. L. 101-392, 9/25/90, Sections 501 and 701 of the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990. Amounts made available for tuition and fees and, for students attending an institution at least half-time, books, supplies, transportation, dependent care, and miscellaneous personal expenses (other than room and board). This provision was effective July 1, 1991. The programs under this Act include the following:

- Indian Vocational Education Program
- Native Hawaiian Vocational Education Program
- State Vocational and Applied Technology Education Program which contains the:
 - State Program and State Leadership Activities
 - Program for Single Parents, Displaced Homemakers, and Single Pregnant Women

- Sex Equity Program
- Programs for Criminal Offenders
- Secondary School Vocational Education Program
- Postsecondary and Adult Vocational Education Program
- State Assistance for Vocational Education Support Programs by Community-Based Organizations
- Consumer and Homemaking Education Program
- Comprehensive Career Guidance and Counseling Program

Training Program

- National Tech-Prep Education Program
- State-administered Tech-Prep Education Program
- Supplementary State Grants for Facilities and Equipment and Other Program Improvement Activities
- Community Education Employment Centers Program
- Vocational Education Lighthouse Schools Program
- Tribally Controlled Postsecondary Vocational Institutions Program
- Vocational Education Research Program
- National Network for Curriculum Coordination in Vocational and Technical Education
- National Center or Centers for Research in Vocational Education
- Materials Development in Telecommunications Program
- Demonstration Centers for the Training of Dislocated Workers Program
- Vocational Education Training and Study Grants Program
- Vocational Education Leadership Development Awards Program
- Vocational Educator Training Fellowships Program
- Internships for Gifted and Talented Vocational Education Students Program
- Business and Education Standards Program
- Blue Ribbon Vocational Education Program
- Educational Programs for Federal Correctional Institutions
- Vocational Education Dropout Prevention Program
- Model Programs of Regional Training for Skilled Trades
- Demonstration Projects for the Integration of Vocational and Academic Learning Program
- Cooperative Demonstration Programs

- Bilingual Vocational Training Program
- Bilingual Vocational Instructor Training Program
- Bilingual Materials, Methods, and Techniques Programs

(Federal Perkins Loans authorized under Part E of Title IV of the Higher Education Act must be handled in accordance with other Title IV income.)

Section 5(d)(3) of the Food Stamp Act, as amended by P. L. 101-624, Food, Agriculture, Conservation and Trade Act 1990, Title XVIII, Mickey Leland Memorial Domestic Hunger Relief Act, 11/28/90, and P. L. 102-237, Food, Agriculture, Conservation, and Trade Act Amendments of 1991, Section 903, provides that educational monies are excluded from income:

- when they are awarded to a person enrolled at a recognized institution of post-secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for completion of a secondary school diploma or obtaining the equivalent thereof,
- to the extent that they do not exceed the amount used for or made available as an allowance determined by such school, institution, program, or other grantor, for tuition, mandatory fees (including the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved), books, supplies, transportation, and other miscellaneous personal expenses (other than living expenses), of the student incidental to attending such school, institution, or program, and
- to the extent loans include any origination fees and insurance premiums.

9. P. L. 99-576, Veterans' Benefits Improvement and Health-Care Authorization Act of 1986,

Section 303(a)(1), 8/7/86, which amended Section 1411(b) and 1412(c) of the Veterans' Educational Act of 1984 (GI Bill) provides that any amount by which the basic pay of an individual is reduced under this subsection shall revert to the Treasury and shall not, for purposes of any Federal law, be considered to have been received by or to be within the control of such individual. Title 38 of the USC, Chapter 30, Section 1411 refers to basic educational assistance entitlement for service on active duty and Section 1412 refers to basic educational assistance entitlement for service in the Selected Reserve. (Section 216 of P. L. 99-576 authorized stipends for participation in study of Vietnam-era veterans' psychological problems. These payments are not excluded by law.)

10. P. L. 100-175, Section 166, Older Americans Act, 11/29/87.

Funds received by persons 55 and older under the Senior Community Service Employment Program under Title V of the Older Americans Act are excluded from income. Each State and eight organizations receive Title V funds. The organizations that receive some Title V funds are as follows:

- Green Thumb
- National Council on Aging
- National Council of Senior Citizens
- American Association of Retired Persons
- U. S. Forest Service
- National Association for Spanish Speaking Elderly
- National Urban League
- National Council on Black Aging

11. P. L. 100-242, Section 126(c)(5)(A), 11-6-87, The Housing and Community Development Act of 1987,

Excludes most increases in the earned income of a family residing in certain housing while participating in HUD demonstration projects authorized by section 126. Demonstration projects were authorized by this law for Charlotte, North Carolina, and 10 additional locations. As of 3/8/96 only the Charlotte project was operating. The others were frozen because it would cost too much money. The Charlotte project was named in the legislation and that is why it is operating.

12. P. L. 100-383, Section 105(f)(2), Wartime Relocation of Civilians, 8/10/88 (the Civil Liberties Act of 1988).

Payments to U. S. citizens of Japanese ancestry and permanent resident Japanese aliens or their survivors and Aleut residents of the Pribilof Islands and the Aleutian Islands West of Unimak Island are excluded from income and resources.

13. P. L. 100-435, Section 501, 9/19/88, which amended Section 17(m)(7) of the Child Nutrition Act of 1966.

Under WIC Women, Infant and Children demonstration projects, coupons that may be exchanged for food at farmers' markets are excluded from income and resources.

14. P. L. 101-201, Agent Orange Compensation Exclusion Act, 12/6/89.

All payments from the Agent Orange Settlement fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation are excluded from income and resources retroactive to January 1, 1989. The disabled veteran will receive yearly payments. Survivors of deceased disabled veterans will receive a lump-sum payment. These payments were disbursed by the AETNA insurance company.

P. L. 101-239, 12/19/89, the Omnibus Budget Reconciliation Act of 1989, Section 10405, also excluded payments made from the Agent Orange settlement fund or any other fund established pursuant to the settlement in the Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.) from income and resources in determining eligibility for the amount of benefits under the Food Stamp Program.

(Note: P. L. 102-4, Agent Orange Act of 1991, 2/6/91, authorized veterans' benefits to some veterans with service connected disabilities resulting from exposure to agent orange. These VA Veteran Affairs payments are not excluded by law.)

15. P. L. 101-426, Section 6 (h)(2), the Radiation Exposure Compensation Act, dated October 15, 1990,

Excludes payments made under this public law from food stamp income and resources.

16. P. L. 101-508, 11/5/90, the Omnibus Budget Reconciliation Act of 1990, Title XI Revenue Provisions, Section 11111,

Modifications of Earned Income Tax Credit, subsection (b) provides that any Federal earned income tax credit shall not be treated as income and shall not be taken into account in determining resources for the month of its receipt and the following month.

The September 1988 amendments to the Food Stamp Act require the exclusion from income of any payments made to the household under section 3507 of the Internal Revenue Code of 1986 (relating to advance payment of earned income credit). The August 1993 amendments to the Food Stamp Act require the exclusion from resources of any earned income tax credits received by any member of the household for a period of 12 months from receipt if such member was participating in the food stamp program at the time the credits were received and participated in such program continuously during the 12-month period.

17. P. L. 101-610, Section 177(d), 11/16/90, National and Community Service Act (NCSA) of 1990,

Provides that Section 142(b) of the JTPA applies to projects conducted under Title I of the NCSA as if such projects were conducted under the JTPA. See item 6 above for the JTPA income exclusion. Title I includes three Acts: (1) Serve-America: The Community Service, Schools and Service-Learning Act of 1990, (2) the American Conservation and Youth Service Corps Act of 1990, and (3) the National and Community Service Act. Most of the payments are made as a weekly stipend or for educational assistance. The Higher Education Service-Learning program and the AmeriCorps umbrella program come under this Title. The National Civilian Community Corps (NCCC) is a federally managed AmeriCorps program. The Summer for Safety program is an AmeriCorps program under which participants earn a stipend and a \$1000 post-service educational award. The National and Community Service Trust Act of 1993, P. L. 103-82, 9/23/93, amended the National and Community Services Act of 1990 but it did not change the exclusion.

18. P. L. 101-625, Section 22(i), Cranston-Gonzales National Affordable Housing Act, dated 11/28/90 (42 USCS 1437t(i)) provides that,

i. Treatment of Income. -- No service provided to a public housing resident under this section [Family Investment Centers] may be treated as income for purposes of any other program or provision of State or Federal law.

This exclusion applies to services such as childcare, employment training and counseling, literacy training, computer skills training, assistance in the attainment of certificates of high school equivalency and other services. It does not apply to wages or stipends.

This same public law, Section 522(i)(4), excludes most increases in the earned income of a family residing in certain housing while participating in HUD demonstration projects authorized by this public law. Demonstration projects are authorized by this law for Chicago, Illinois, and 3 other locations. The affected regional offices will be contacted individually regarding these projects.

19. P. L. 102-550, Housing and Community Development Act of 1992,

Section 456(e) provides that payments made under the Youth build Program are to be treated like JTPA payments. Therefore, they should be excluded from income in accordance with item 6 above.

20. P. L. 102-586, signed 11/4/92,

Section 8, amended the Child Care and Development Block Grant Act Amendments of 1992 by adding a new Section 658S to exclude the value

of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under this subchapter from income for purposes of any other Federal or Federally-assisted program that bases eligibility, or the amount of benefits, on need. (These payments are made under the Social Security Act, as amended.)

21. P. L. 103-286, dated 8/1/94, Section 1 (a) provides in part that:

Payments made to individuals because of their status as victims of Nazi persecution shall be disregarded in determining eligibility for and the amount of benefits or services to be provided under any Federal or federally assisted program which provides benefits or services based, in whole or in part, on need.

22. P. L. 103-322, section 230202, dated 9/13/94, amended Section 1403 of the Crime Act of 1984 (42 U.S.C. 10602) to provide in part that:

Notwithstanding any other law, if the compensation paid by an eligible crime victim compensation program would cover costs that a Federal program, or a federally financed State or local program, would otherwise pay,

1. such crime victim compensation program shall not pay that compensation; and
2. the other program shall make its payments without regard to the existence of the crime victim compensation program.

Based on this language, payments received under this program must be excluded from income and resources for food stamp purposes.

23. P. L. 104-193, section 103(a), dated 8/22/96,

Amended Section 404(h) of Part A of Title IV of the Social Security Act to provide that for the purpose of * determining eligibility to receive, or the amount of, any benefit authorized by the Food Stamp Act, funds (including interest accruing) in an individual * development account under the TANF block grant program shall be disregarded with respect to any period during which such individual maintains or makes contributions into such an account.

24. P. L. 104-204, section 1805(d), dated 9/26/96 provides that:

Notwithstanding any other provision of law, the allowance paid to a child under this section shall not be considered income or resources in

determining eligibility for or the amount of benefits under any Federal or federally assisted program.

A monthly allowance (from \$200-\$1,200) is paid to a child of a Vietnam veteran for any disability resulting from spina bifida suffered by such child.

Part B -- AMERICAN INDIAN OR ALASKA NATIVE

Usually, a law will authorize payments to members of a tribe or band, and the law will apply to the members enrolled in the tribe or band wherever they live. However, items 2, 3, and 4 are general laws, and they apply to all tribes. The individuals should have documentation showing the type of payment and where it originated.

1. P. L. 92-203, section 29, dated 1/2/76,

The Alaska Native Claims Settlement Act, and Section 15 of P. L. 100-241, 2/3/88, the Alaska Native Claims Settlement Act Amendments of 1987 - All compensation (including cash, stock, partnership interest, land, interest in land, and other benefits) received under this Act are excluded from income and resources.

2. 25 USCS 640d-22 (P. L. 93-531, section 22, dated 12/22/74)

Provides in part that the availability of financial assistance to any Navajo or Hopi Indian pursuant to 25 USCS § 460d-460d-31 may not be considered as income or resources or otherwise used as the basis for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled to under the Social Security Act or any other Federal or federally assisted program.

3. 25 USCS 1407 Judgement Funds (as amended by P. L. 93-134 and P. L. 97-458) provides that:

None of the funds [appropriated in satisfaction of judgments of the Indian Claims Commission or Claims Court in favor of any Indian tribe, band, etc.] which--

- I. are distributed per capita or held in trust pursuant to a plan approved under the provisions of this Act [25 USCS §§ 1401 et seq.], or
- II. on the date of enactment of this Act [enacted Jan. 12, 1983], are to be distributed per capita or are held in trust pursuant to a plan approved by Congress prior to the date of enactment of this Act [enacted Jan. 12, 1983], or

- III. were distributed pursuant to a plan approved by Congress after December 31, 1981 but prior to the date of enactment of this Act [enacted Jan. 12, 1983], and any purchases made with such funds, including all interest and investment income accrued thereon while such funds are so held in trust, shall be subject to Federal or State income taxes, nor shall such funds nor their availability be considered as income or resources nor otherwise utilized as the basis for denying or reducing the financial assistance or other benefits to which such household or member would otherwise be entitled under the Social Security Act [42 USCS §§ 301 et seq.] or, except for per capita shares in excess of \$2,000, any Federal or federally assisted program.

This \$2,000 per capita exclusion applies to each payment made to each person. Initial purchases made with exempt payments distributed between January 1, 1982 and January 12, 1983, are excluded from resources to the extent that excluded funds were used.

4. P. L. 98-64, 8/2/83,

Applied the exclusion in 25 USCS 1407 to per capita payments from funds, which are held in trust by the Secretary of Interior (trust fund distributions) for an Indian tribe. (Per capita payments may be authorized for specific tribes under other public laws.)

5. 25 USCS 1408 (as amended by P. L. 93-134, P. L. 97-458, and P. L. 103-66, Section 13736, 10/7/93)

Provides that interests of individual Indians in trust or restricted lands shall not be considered a resource and up to \$2,000 per year of income received by individual Indians that is derived from such interests shall not be considered income in determining eligibility for assistance under the Social Security Act or any other Federal or federally assisted program. Interests include the Indian's right to or legal share of the trust or restricted land and any income accrued from the funds in trust or the restricted lands. The exclusion applies to each individual Indian that has an interest. The income exclusion applies for both eligibility and benefit level purposes for food stamp purposes. The income exclusion applies to calendar years.

6. P. L. 93-531, section 22

Relocation assistance payments to members of the Navajo and Hopi Tribes are excluded from income and resources.

7. P. L. 94-114, section 6, 10/17/75

Income derived from certain submarginal land held in trust for certain Indian tribes is excluded from income and resources. The tribes that may benefit are:

Bad River Band of the Lake Superior Tribe of Chippewa Indians of Wisconsin

Blackfeet Tribe

Cherokee Nation of Oklahoma

Cheyenne River Sioux Tribe

Crow Creek Sioux Tribe

Lower Brule Sioux Tribe

Devils Lake Sioux Tribe

Fort Belknap Indian Community

Assiniboine and Sioux Tribes

Lac Courte Oreille Band of Lake Superior Chippewa Indians

Keweenaw Bay Indian Community

Minnesota Chippewa Tribe

Navajo Tribe

Oglala Sioux Tribe

Rosebud Sioux Tribe

Shoshone-Bannock Tribes

Standing Rock Sioux Tribe

8. P. L. 94-189, Section 6, 12/31/75

Funds distributed per capita to the Sac and Fox Indians or held in trust are excluded from income and resources. The funds are divided between members of the Sac and Fox Tribe of Oklahoma and the Sac and Fox Tribe of the Minnesota in Iowa. The judgements were awarded in Indian Claims Commission dockets numbered 219, 153, 135, 158, 231, 83, and 95.

9. P. L. 94-540

Payments from the disposition of funds to the Grand River Band of Ottawa Indians are excluded from income and resources.

10. P. L. 95-433, section 2

Indian Claims Commission payments made pursuant to this Public Law to the Confederated Tribes and Bands of the Yakima Indian Nation and the

Apache Tribe of the Mescalero Reservation are excluded from income and resources.

11.25 USCS 1931 Indian Child Welfare (P. L. 95-608, 11/8/78),

Subparagraph (a) provides for child and family service grant programs on or near reservations in the preparation and implementation of child welfare codes. Such programs may include, but are not limited to, family assistance, including homemaker and home counselors, day care, after school care, and employment, recreational activities, and respite care; home improvement; the employment of professional and other trained personnel to assist the tribal court in the disposition of domestic relations and child welfare matters; and education and training of Indians; including tribal court judges and staff, in skills relating to child and family assistance and service programs. Subparagraph (b) provides that assistance under 25 USCS 1901 et seq. shall not be a basis for the denial or reduction of any assistance otherwise authorized under any federally assisted programs. (Similar off-reservation programs are authorized by 25 USCS 1932. We have asked the Office of General Counsel if the exclusion applies to these programs.)

12. P. L. 96-420, section 9(c), 10/10/80, Maine Indian Claims Settlement Act of 1980

Payments made to the Passamaquoddy Tribe, the Penobscot Nation, and the Houlton Band of Maliseet are excluded from income and resources.

13. P. L. 97-403

Payments to the Turtle Mountain Band of Chippewas, Arizona are excluded from income and resources.

14. P. L. 97-408

Payments to the Blackfeet, Grosventure, and Assiniboine tribes, Montana and the Papago, Arizona, are excluded from income and resources.

15. P. L. 98-123, Section 3, 10/13/83

Funds distributed under this Act to members of the Red Lake Band of Chippewa Indians are excluded from income and resources. Funds were awarded in docket number 15-72 of the United States Court of Claims.

16. P. L. 98-124, Section 5

Per capita and interest payments made to members of the Assinoboine Tribe of the Fort Belknap Indian Community, Montana, and the Assiniboine Tribe of the Fort Peck Indian Reservation, Montana, under this Act are excluded from income and resources. Funds were awarded in docket 10-81L.

17.P. L. 98-500, Section 8, 10/17/84

Old Age Assistance Claims Settlement Act, provides that funds made to heirs of deceased Indians under this Act shall not be considered as income or resources nor otherwise used to reduce or deny SNAP benefits except for per capita shares in excess of \$2,000.

18.P. L. 99-146, Section 6(b), 11/11/85

Funds distributed per capita or held in trust for members of the Chippewas of Lake Superior are excluded from income and resources. Judgements were awarded in Dockets Numbered 18-S, 18-U, 18-C, and 18-T.

Dockets 18-S and 18-U are divided among the following reservations.

Wisconsin:

Bad River Reservation
Lac du Flambeau Reservation
Lac Courte Oreilles Reservation
Sokaogon Chippewa Community
Red Cliff Reservation
St. Croix Reservation

Michigan:

Keweenaw Bay Indian Community (L'Anse, Lac Vieux Desert, and Ontonagon Bands)

Minnesota:

Fond du Lac Reservation
Grand Portage Reservation
Nett Lake Reservation (including Vermillion Lake and Deer Creek)
White Earth Reservation

Under dockets 18-C and 18-T funds are given to the Lac Courte Oreilles Band of the Lake Superior Bands of the Chippewa Indians of the Lac Courte Oreilles Reservation of Wisconsin, the Bad River Band of the Lake

Superior Tribe of Chippewa Indians of the Bad River Reservation, the Sokaogon Chippewa Community of the Mole Lake Band of Chippewa Indians, and the St. Croix Chippewa Indians of Wisconsin.

19. P. L. 99-264, White Earth Reservation Land Settlement Act of 1985, 3/24/86

Section 16 excludes moneys paid under this Act from income and resources. This Act involves members of the White Earth Band of Chippewa Indians in Minnesota.

20. P. L. 99-346, Section 6(b)(2)

Payments to the Saginaw Chippewa Indian Tribe of Michigan are excluded from income and resources.

21. P. L. 99-377, Section 4(b), 8/8/86,

Funds distributed per capita to the Chippewas of the Mississippi or held in trust under this Act are excluded from income and resources. The judgements were awarded in Docket Number 18-S. The funds are divided by reservation affiliation for the Mille Lac Reservation, Minnesota; White Earth Reservation, Minnesota; and Leech Lake Reservation, Minnesota.

22. P. L. 101-41, 6/21/89, the Puyallup Tribe of Indians Settlement Act of 1989

Section 10 (b) provides that nothing in this Act shall affect the eligibility of the Tribe or any of its members for any Federal program. Section 10(c) provides that none of the funds, assets, or income from the trust fund established in section 6 (b) shall at any time be used as a basis for denying or reducing funds to the Tribe or its members under any Federal, State, or local program. (The Puyallup Tribe is located in the State of Washington.)

23. P. L. 101-277, 4/30/90

Funds appropriated in satisfaction of judgements awarded to the Seminole Indians in dockets 73, 151, and 73-A of the Indian Claims Commission are excluded from income and resources except for per capita payments in excess of \$2,000. Payments were allocated for per capita payments in excess of \$2,000. Payments were allocated to the Seminole Nation of Oklahoma, the Seminole Tribe of Florida, the Miccosukee Tribe of Indians of Florida, and the independent Seminole Indians of Florida.

24.P. L. 101-503, Section 8(b)

Seneca Nation Settlement Act of 1990, dated November 3, 1990, provides that none of the payments, funds or distributions authorized, established, or directed by this Act, and none of the income derived therefrom, shall affect the eligibility of the Seneca Nation or its members for, or be used as a basis for denying or reducing funds under, any Federal program.

25.P. L. 103-436, 11/2/94

Confederated Tribes of the Colville Reservation Grand Coulee Dam Settlement Act, Section 7(b), provides that payments made pursuant to that Act are totally excluded from income and resources for food stamp purposes.

26.P. L. 105-143, 12/5/97

Michigan Indian Land Claims Settlement Act, Section 111, provides in part that the eligibility for or receipt of distributions under this Act by a tribe or individual shall not be considered as income, resources, or otherwise when determining the eligibility for or computation of any payment or other benefit to such tribe, individual, or household under any financial aid program or any other benefit to which such tribe household, or individual would otherwise be entitled under any Federal or federally assisted program. This public law pertains to judgement funds of the Ottawa and Chippewa Indians of Michigan.

ADDENDUM C

The Leave Earnings Statement

Military personnel receive their wages through the LES.

- The **Entitlements** column reflects a military person's payments and allowances.
- The **Deductions** column shows items that are deducted from the entitlements column including tax withholdings, tax payments, Medicare and debt collections.
- The **Allotments** column shows items paid to a qualified person or business.

DEFENSE FINANCE AND ACCOUNTING SERVICE MILITARY LEAVE AND EARNINGS STATEMENT																	
ID	NAME (Last, First, MI)			SOC. SEC. NO.	GRADE	PAY DATE	YRS SVC	ETS	BRANCH	ADSN/DSSN	PERIOD COVERED						
ENTITLEMENTS				DEDUCTIONS				ALLOTMENTS				SUMMARY					
Type		Amount		Type		Amount		Type		Amount		+Amt Fwd .00					
A	BASE PAY	2247.30		FEDERAL TAXES	88.46			DISCRETIONARY ALT	1621.00			+Tot Ent 4266.73					
B	BAS	284.43		FICA-SOC SECURITY	139.33			TRICARE DENTAL	11.58			-Tot Ded 1570.22					
C	BAH	1726.00		FICA-MEDICARE	32.59							-Tot Allt 1532.58					
D				SGLI	27.00							=Net Amt 1163.93					
E				AFRH	.50							-Cr Fwd .00					
F				FAMILY SGLI	5.50							=EOM Pay 1163.93					
G				TSP	112.37												
H				MID-MONTH-PAY	1164.47												
I																	
J																	
K																	
L																	
M																	
N																	
O																	
TOTAL		4266.73				1570.22				1532.58							
LEAVE		BF Bal 25.5	Emd 25.0	Used 11	Cr Bal 39.5	ETS Bal 85.5	Lv Lost .0	Lv Paid .0	Use/Lose .0	FED TAXES	Wage Period 2134.93	Wage YTD 13682.36	M/S M	Ex 02	Add'l Tax .00	Tax YTD 493.01	
FICA TAXES		Wage Period 2247.30	Soc Wage YTD 14402.50	Soc Tax YTD 892.94	Med Wage YTD 14402.50	Med Tax YTD 208.83	STATE TAXES AK	St .00	Wage Period .00	Wage YTD .00	M/S N	Ex 00	Tax YTD .00				
PAY DATA		BAQ Type WDEP	BAQ Depn SPOUSE	VHA Zip 08641	Rent Amt .00	Share 1	Stat R	JFTR	Depns 0	2D JFTR	BAS Type	Charity YTD .00	TPC	PACIDN			
THRIFT SAVINGS PLAN (TSP)		Base Pay Rate 5	Base Pay Current .00	Spec Pay Rate 0	Spec Pay Current .00	Inc Pay Current 0	Inc Pay Current .00	Bonus Pay Rate 0	Bonus Pay Current .00								
		TSP YTD Deductions 720.14				Deferred 720.14		Exempt .00									
REMARKS:		YTD ENTITLE 27768.11				YTD DEDUCT 2557.92											
<p>IF TSP ELECTION AMT EXCEEDS NET AMT DUE, TSP WILL NOT BE DEDUCTED.</p> <p>-LEAVE CARRYOVER INCREASED TO 75 DAYS FOR FY08. NO ACTION REQUIRED BY MEMBERS. DFAS WILL BEGIN RESTORING AFTER 1 OCT 08.</p> <p>-MYPAY HAS ALLOWED MBRS TO ELECT A HARD-COPY LES VIA US MAIL. AF POLICY IS TO PROVIDE AN ELECTRONIC LES. EFF 1 OCT (SEP LES), AF WILL NO LONGER PRINT LES STATEMENTS IF AVAILABLE ON MYPAY. THANK YOU FOR YOUR SUPPORT.</p> <p>-IF YOUR SPOUSE WANTS INFO ABOUT THE MILITARY LIFESTYLE WE INVITE HIM/HER TO JOIN US FOR THE NEXT HEART LINK SPOUSES ORIENTATION. LUNCH AND CHILD CARE ARE PROVIDED. CALL YOUR</p> <p>BASE AIRMAN & FAMILY READINESS CTR FOR DETAILS.</p> <p>-IF YOU GAMBLE WITH SAFETY...YOU BET YOUR LIFE.</p> <p>-ELECTIONS ARE COMING! UPDATE YOUR ADDRESS TO GET AN ABSENTEE BALLOT. REQUEST YOUR BALLOT FOR THE PRESIDENTIAL AND STATE ELECTIONS. SEE YOUR VOTING ASST. OFFICER OR WWW.FVAP.GOV.</p> <p>TSP 080701(183)</p> <p>RATE CHG SGLI 080701(183)</p> <p>CHANGE GRADE 080701(184)</p> <p>BAH BASED ON WDEP, ZIP 08641</p> <p>BANK [REDACTED]</p> <p>ACCT # [REDACTED]</p>																	

DFAS Form 702, Jan 02

WWW.DFAS.MIL

There are numerous items that can appear in these three columns for different military personnel in different types of deployment and housing

situations. The following lists the most common of these items and how each are counted in the budget when determining eligibility.

Note:

Military pay is received via direct deposit. The name of the bank and account number are listed at the bottom right of the Leave and Earnings Statement.

ENTITLEMENTS	
ENTITLEMENT DEFINITIONS	COUNTS AS INCOME?
ADVANCE DEBT: Debt repayment from advance pay.	NO
ADVANCE PAY: Pay that can be drawn interest free up to three months in advance.	NO
AMOUNT BROUGHT FORWARD FROM PREVIOUS MONTH (AMTFWD): Amount of all unpaid pay or allowances brought forward from the previous month.	NO
AVIATION CAREER INCENTIVE PAY: Special pay to officers who hold positions or are in training to get positions in aviation.	YES
BAH DIFFERENTIAL (BAH-DIF): The difference between the full married BAH rate and full single BAH is paid to military personnel who do not have custody of their children and are paying court ordered child support.	YES
BASE PAY OR BASIC PAY: A military person's base pay before other entitlements are added.	YES
BASIC ALLOWANCE FOR HOUSING (BAH or BASIC ALLOWANCE FOR QUARTERS (BAQ): The military offers free or subsidized housing to all its personnel. The amount of BAH is dependent upon the rank, location, and whether they have dependents.	VARIES SEE SNAP MS 605-2 (E)(2) & (3)

BASIC ALLOWANCE FOR SUBSISTENCE (BAS): This is a military person's food allowance. Most (but not all) of the BAS is automatically deducted from the paychecks of members required to consume meals in the dining facilities.	YES
CAREER SEA PAY & REGULAR SEA PAY: Special pay received by military personnel on sea duty.	YES
CAREER ENLISTED FLYER INCENTIVE PAY (CEFIP): Special pay for Navy or Air Force who perform operational flying duties.	YES
CLOTHING ALLOWANCE (CMA): Annual clothing allowance paid to military personnel for the repair/replacement of military clothing issued during basic training.	NO
COMBAT PAY (or incentive pay for hazardous duty, hostile fire pay, or imminent danger pay): Payments to a military person assigned or deployed to a combat zone.	NO
COST OF LIVING ALLOWANCE (COLA): Compensation paid to military personnel who are stationed in certain "high-cost" locations in the continental United States.	YES
DISLOCATION ALLOWANCE (DLA) due to PCL. Partial payment of relocation expenses (not otherwise reimbursed) paid to military personnel when relocating their household due to a PCL.	NO
DIVING DUTY PAY: Special pay for Armed Force military personnel assigned to diving duty.	YES
FAMILY SEPARATION ALLOWANCE (FSA): Allowance to military personnel with dependents anytime they are away from their families (due to military orders) for 30 days or longer.	YES
FAMILY SUBSISTENCE SUPPLEMENTAL ALLOWANCE (FSSA): Assistance to certain military personnel and their families so they will not have to rely on food stamps to make ends meet.	YES
FLIGHT PAY: Allowances to military personnel who are on flying status.	YES

FOREIGN DUTY PAY (FDP): Special pay received by military personnel on duty outside the 48 contiguous states and the District of Columbia.	YES
FOREIGN LANGUAGE PROFICIENCY PAY (FLPP): Special pay to military personnel receiving basic pay and certified by the individual service secretary to be proficient in a foreign language.	YES
HARDSHIP DUTY PAY-INVOLUNTARY EXTENSION: Extra pay to military personnel on designated involuntary extension.	VARIES, SEE SNAP MS 605-2 E (b)(ii)
HARDSHIP DUTY PAY-LOCATION (HDP-L): Compensation paid to military personnel assigned outside the continental United States in Quality of Life (QoL) Hardship locations.	VARIES, SEE SNAP MS 605-2 E (b)(ii)
HARDSHIP DUTY PAY-MISSION (HDP-M): Special pay to military personnel for performing designated hardship missions.	VARIES, SEE SNAP MS 605-2 E (b)(ii)
JUMP PAY: Special pay or allotment if required to jump from an airplane.	YES
LEAVE OR SEPARATE RATIONS: Special pay to military personnel who live in housing that are not required to consume meals in the dining facilities.	YES
MOVING HOUSING ALLOWANCE (MIHA), MISCELLANEOUS, RENT, AND SECURITY: MIHA front - Reimbursement for household necessities. MIHA Rent - Reimbursement for one time fees such as real estate agent or redecoration fees. MIHA - Reimbursement for security improvements.	NO
NATIONAL GUARD PAY: Basic pay for service personnel of the National Guard.	YES
PER DIEM: Special pay to military personnel to help defer the costs of traveling on temporary orders.	NO, unless exceeds actual costs.
REENLISTMENT BONUSES: This payment could be received a lump sum or in installments.	YES, if received in installments. NO, if received in as a non-recurring lump sum.

SAVE PAY: This is pay received by an enlisted military person who accepts an appointment as an officer.	NO
SPECIAL DUTY ASSIGNMENT PAY (SDAP): Pay to military personnel in addition to basic pay for performing extremely difficult duties, or duties involving as unusual degree of responsibility.	YES
SPECIAL PAY FOR MEDICAL AND DENTAL OFFICERS: Special pay for health professionals.	YES
SPECIAL PAY FOR WARFARE: A bonus paid to an officer who remains in active duty in special warfare service for at least one year, up to \$15,000 for each year of continuation.	YES, if received in installments. NO, if received in as a non-recurring lump sum.
SUBMARINE DUTY INCENTIVE PAY: Special pay to sailors under orders to a submarine.	YES
SUPPORT/COMMUNITY DEBT (CHILD SUPPORT): This is normally child or spousal support owed outside the household and is not extra pay.	NO
WOUNDED WARRIOR PAY: Pay to military personnel receiving medical treatment and rehabilitation until they have returned to active duty.	YES

DEDUCTIONS	
DEDUCTION DEFINITIONS	ALLOWABLE DEDUCTION?
ARMED FORCES RETIREMENT HOME (AFRH): A retirement community that offers residential living quarters, health care, social services, recreational and entertainment programs.	NO
DEBT: This is repayment of a debt by a military person.	NO
FAMILY SGLI (FSGLI): A low cost group life insurance for a military person's spouse and children.	NO
REPAY ADVANCE: This is a repayment of advance pay.	NO, not an allowable deduction. This is

	repayment of a debt.
SERVICE MEMBER'S GROUP LIFE INSURANCE (SGLI): A low cost group life insurance for military personnel.	NO
SUPPORT/COMM DEBT (CHILD SUPPORT): This is a child or spousal support payment.	YES, if legal child support obligation is verified through CSSD or a court order.
THRIFT SAVINGS PLAN (TSP): This is a retirement savings account.	NO
Alimony paid to a spouse by retired military	YES

ALLOTMENTS	
ALLOTMENT DEFINITIONS	IS IT AN ISSUE?
DISCRETIONARY ALLOTMENT: This is a designated amount of money that is automatically distributed from a military person's pay and may be stopped, started, or adjusted at will. These can include payments of premiums for commercial life insurance for the military person or the military person's spouse or children.	Possible countable resource or deduction.
NON-DISCRETIONARY ALLOTMENT: This is a designated amount of money that is automatically distributed from a military person's pay that may or may not be voluntary and cannot be started or stopped at the member's will.	Possible countable resource or deduction.
SAVINGS BONDS: A bond issued by the U.S. Government and backed by its full faith and credit.	Possible countable resource.
TRI-CARE DENTAL (TDP): A voluntary dental insurance program available to military personnel.	Possible medical deduction.
U.S. DEBT: A repayment of debt to the U.S. Government.	NO

Note:

A list of discretionary or non-discretionary allotments can be found at <https://www.military.com/benefits/military-pay/military-pay-allotments.html>.

ADDENDUM D

Housing Authority Contact Information

Housing Authority	Contact Name	Contact Numbers	Email Address
Alaska Housing Finance Corporation (AHFC)	Anchorage Fairbanks Juneau	330-6100 456-3738 586-3750	www.ahfc.state.us
Association of Alaska Housing Authorities	Colleen Dushkin, Administrator	330-8398	www.aahaak.org
Aleutian Housing Authority	Viola Yatchmeneff, Executive Director	563-2146	www.ahaak.org
Association of Village Council Presidents (AVCP) Regional Housing Authority	Stanley Hoffman, Director, Housing Management	543-3121 543-3933 (fax)	www.avcphousing.org
Baranof Island Housing Authority	Cliff Richter, Executive Director	747-5088 747-5701 (fax)	www.bihakitka.org
Bering Straits Regional Housing Authority	Jolene Lyon, President & CEO	443-5256 443-8652 (fax)	www.bsrha.org jl原因@bsrha.org
Bristol Bay Housing Authority	Brenda Akelkok, Executive Director	842-5956 842-2784 (fax)	bakelkok@bbha.org www.bristolbayhousingauthority.org
Cook Inlet Housing Authority	Carol Gore, CEO	793-3000 793-3070	cgore@cookinlethousing.org info@cookinlethousing.org www.cookinlethousing.org
Copper River Basin Regional Housing Authority	Teri Nutter, Executive Director	822-3633 822-3662 (fax)	tnutter@crbrha.org www.crbrha.org
Interior Regional Housing Authority	Orie Williams, CEO	452-8315 456-8941 (fax)	www.irha.org

Ketchikan Indian Community Housing Authority	Myrna Chaney, Housing Director	228-9222	housing@kictribe.org kichousing.webs.com
Kodiak Island Housing Authority	Mindy Pruitt, Director	486-8111	www.kodiakislandhousing.com
North Pacific Rim Housing Authority	Olen Harris, Executive Director	562-1444 562-1445 (fax)	olen@nprha.com www.nprha.com
Northwest Inupiat Housing Authority	Guy Adams, Executive Director	442-3450 442-3486 (fax)	gadams@nwiha.com www.nwiha.com
Tagiugmiullu Nunamiullu Housing Authority (TNHA)		852-7150	www.tnha.net
Tlingit Haida Regional Housing Authority	Jacqueline Pata, President & CEO	780-6868 780-6895 (fax)	info@thrha.org www.regionalhousingauthority.com

ADDENDUM E

FFY 2023

Federal Poverty Income Guidelines October 1, 2022 - September 30, 2023

Percent of Federal Poverty Income Guidelines						
Income Factor	0% - 25% 1	25.01% - 50% 0.9	50.01% - 75% 0.8	75.01% - 100% 0.7	100.01% - 125% 0.6	125.01% - 150% 0.5
# of People						
1	\$353	\$707	\$1,061	\$1,415	\$1,768	\$2,123
2	\$476	\$953	\$1,430	\$1,907	\$2,383	\$2,861
3	\$599	\$1,199	\$1,799	\$2,399	\$2,998	\$3,599
4	\$722	\$1,445	\$2,167	\$2,890	\$3,612	\$4,335
5	\$845	\$1,691	\$2,536	\$3,382	\$4,227	\$5,073
6	\$968	\$1,937	\$2,905	\$3,874	\$4,842	\$5,811
7	\$1,091	\$2,182	\$3,273	\$4,365	\$5,456	\$6,548
8	\$1,214	\$2,428	\$3,642	\$4,857	\$6,071	\$7,286
9	\$1,337	\$2,674	\$4,011	\$5,349	\$6,686	\$8,024
10	\$1,460	\$2,920	\$4,380	\$5,840	\$7,300	\$8,760
11	\$1,583	\$3,166	\$4,749	\$6,332	\$7,915	\$9,498
12	\$1,706	\$3,412	\$5,118	\$6,824	\$8,530	\$10,236
13	\$1,828	\$3,657	\$5,486	\$7,315	\$9,143	\$10,973
14	\$1,951	\$3,903	\$5,855	\$7,807	\$9,758	\$11,711
15	\$2,074	\$4,149	\$6,224	\$8,299	\$10,373	\$12,449
16	\$2,197	\$4,395	\$6,592	\$8,790	\$10,987	\$13,185
17	\$2,320	\$4,641	\$6,961	\$9,282	\$11,602	\$13,923
18	\$2,443	\$4,887	\$7,330	\$9,774	\$12,217	\$14,661

All dollars rounded down to guarantee they are below income guidelines.
Based on January 2022 Federal Register Notice.

ADDENDUM F

Income Grid

Income Types	Definition	Considered Income - Yes	Considered Income - No	Proof of Income
Adoption Subsidy	Subsidy payment to parents who adopted a special needs child.	X		
Adult Public Assistance (APA)	Gross regular and adjustments or recoupment payments from Public Assistance.	X		EIS screens (APBH/APIH), current award letter, statement from worker
AHFC Mortgage Payments (UAP)	UAP payments are cash payments to the household and noted on the AHFC worksheet.	X		AHFC worksheet
Alaska General Relief Assistance (GRA)	Alaska General Relief Assistance.		X	
Alaska Longevity Bonus	See Senior Benefits.		X	
Alaska Native Corporation Payments	Alaska Native Claims Settlement Act (ANCSA), Alaska Native corporation payments. First \$2,000 received annually to shareholders are exempt. Payments over \$2,000 annually are countable income.	X	X	
Alaska Temporary Assistance (ATAP)	Gross regular and adjustments or recoupment payments from Public Assistance.	X		EIS screen (TABH/TAIH), award letter, worker statement
Alaska Senior Benefits (GA)	Alaska Senior Assistance and Alaska Native Elder Assistance.		X	
Alimony	Support from an absent family member or someone not living in the	X		EIS screen (CANO), court order showing amount

	household. Child support or alimony payment made directly to a mortgage company on behalf of a client is considered income.			awarded, check stub
Annuities/insurance, pension, retirement, and disability benefits	Annuity payments paid quarterly shall be averaged over the three months and counted as monthly income. Annuity payments paid annually shall be averaged over twelve months and counted as monthly income.	X		EIS screen (CANO), benefit statement letter, year-end statement, R-1099
APA (Adult Public Assistance)	Gross regular and adjustments or recoupment payments from Public Assistance.	X		EIS screens (APBH/APIH), current award letter, statement from worker
ATAP (Alaska Temporary Assistance Program)	Gross regular and adjustments or recoupment payments from Public Assistance.	X		EIS screens (TABH/TAIH), award letter, statement from worker
Basic Allowance for Housing (BAH)	Military housing allowance.	X		Copy of checks/stub
BIA General Assistance	When paid directly to the household. Paid to the vendor. General Assistance Program burial payments made to a vendor are excluded as income.	X	X X	EIS screen (CANO), check stub, letter from BIA office
Bingo and lottery winnings		X		EIS screen (CANO), Bingo/Pull Tab Statement, letter from provider
Capital gains	Any profit that results from investments into a capital asset, such as	X		IRS form 1040, EIS screen (CANO)

	<i>stocks, bonds or real estate, which exceeds the purchase price.</i>			
Cash gifts	That do not exceed a total of \$20 per month per individual in the household.		X	EIS screen (CANO), HAP application, statement from person providing cash gifts
Cash-out Pension or Retirement		X		Benefit statement, year-end statement, current pay stubs showing gross
Cash payments	Including payments to household from a wage earner not residing with the household because of his or her employment, or an absent parent family member or someone not living in the household.	X		EIS screen (CANO), copies of checks/stubs, work statement
Child support	Support from an absent family member or someone not living in the household. Child support or alimony payment made directly to a mortgage company on behalf of a client is considered income. Payments received from the non-custodial parent or a child support enforcement agency, including full or partial monthly obligation payments, payments toward obligation arrearage, and voluntary payments. Payments paid by the non-custodial parents to a third party to pay for a household expense. CSSD pass-through payments paid through DPA or a Native	X		CSSD screen, a signed statement from the non-custodial parent, EIS screen (CANO), court order showing amount awarded, check stub, stated on application, the TAIH screen on EIS showing the issuance of a pass-through payment.

	Family Assistance Program agency to a TANF recipient.			
COLA	Cost of living allowance.	X		Copy of checks/stub
Combat Pay	Additional payment received by a member of the U.S. Armed forces deployed to a designated combat zone is excluded income for the duration of the deployment if the additional pay is the result of deployment to or while serving in a combat zone, and it was not received immediately prior to serving in the combat zone.		X	Pay stub
Conservation Innovation Grants (CIG)	NRCS funding opportunity for agriculturalists to stimulate development of conservation approaches.	X		
Contract for deed	Consider annual interest payment.	X		Annual interest statement
Crime Victims Benefits			X	
Declaration of Personal Income	Irregular income resulting from occasional sources such as yard work, childcare, collecting cans/bottles, donating blood/plasma, payments from sale of personal belongings, house, boat, loan repayments, escrow payments, etc.	X		Client statement on HAP application.
Deposits	Made into bank accounts owned or jointly owned by the household, unless identified as income previously considered.	X		Copy of bank statement

Disability benefits	Payment from: - Veterans disability benefit - Social Security disability insurance - SS-Ds Supplemental Security Income (SSI) - State of Alaska Adult Public Assistance (APA or IA) - Disability retirement benefits from a government agency because of a disability considered permanent, or - Railroad Retirement Act (below) - EXCEPTIONS: Veterans benefits provided to children of Vietnam veterans (including adult children) who were born with the congenital defect of spinal bifida, benefits paid to children of women, Vietnam veterans, born with certain other birth defects.	X	X	EIS screen (CANO), current benefit statement, bank statement (VA disability benefits are not subject to deductions) or call VA Office 1-800-827-1000
Diversion payments	TA payment	X		EIS Screen (GAIH)
Dividends, interest, & royalties	From non-native corporations, investments, stocks. Excluded: PFDs received by household members, and first \$2,000 Native Corporation dividends.	X		Letter declaring amounts, bank statements
Dividends, Native	Alaska Native Claims Settlement Act (ANCSA). Alaska Native corporation payments to shareholders	X		

	and Alaska after first \$2,000 exempted income.			
Earned Income Tax Credits	Any Earned Income Credit displayed on a pay check should be deducted from the gross income. EIC is not counted as income.		X	Checks/stubs
Education Income	Education assistance that is not funded under Title IV of the Higher Education Act or the Bureau of Indian Affairs student assistance program funds is excluded as income if it is used or will be used for paying tuition, fees, or other necessary education expenses at any educational institution, including vocational, technical, and correspondence schools, and schools for people with disabilities. See Exception below.		X	
Education Income	Any portion of education assistance that is not used or set aside for paying tuition, fees, or other necessary education expenses <u>is countable unearned income</u> .	X		
Escrow Income		X		Letter declaring monthly amount, bank statement
Excess Reimbursements	When payments received as an advance or reimbursement for volunteer job training or work-related services exceed the expense incurred, the excess	X		

	amount is included as income.			
Federal income tax refunds			X	
Food Stamps (aka SNAP)			X	
Foster Care	Households receiving foster care income may choose not to count foster care income if they do not consider the foster child/adult to be a member of their household. In these cases, the foster child/adult is <u>not</u> counted as a household member. A foster adult not considered a member of the household must be considered a household sharer, or room renter.	X		Check stubs, EIS screen (CANO)
General Relief Assistance Payments	State of Alaska General Relief Assistance Program payments paid on behalf of the household to a vendor for household expenses such as rent, food, fuel, clothing, utilities, house repair, transportation, and burial are exempt.		X	In Regs, exempt.
G.I. Bill payment		X		Current award letter, checks/stub
Housing Allowance	In kind, non-cash housing is exempt. Housing allowances as cash on a pay stub is countable income.	X	X	
Ineligible Alien	Households with household members that are:	X		Wage stubs or statement from employer specifying

	- ineligible alien, - non-U.S. Citizen, - failure to provide a social security number We count their income but they will not be counted as a household member.			gross wages, EIS screen
Inheritance		X		Letter regarding conditions of payments
In-kind/non-cash income	Any gain or benefit that is not in the form of money in exchange for food and shelter, produce from a garden, clothing, non-cash employee benefits, such as the Legal Trust benefit provided to State of Alaska employees, and non-cash assistance such as the Medicare Part D Low-Income Subsidy. All bona fide loans, including educational, personal, and commercial loans, are disregarded as income. A bona fide loan is a debt that the borrower has an obligation to repay and expresses his or her intention to repay.		X	The nature of a loan must be verified and documented in the case file. Commercial and educational loans: a copy of written loan agreement or any document identifying the payment as a loan. Personal loans: must provide acknowledgment by the borrower and lender that there is an obligation to repay the loan.
Interest	Bank or investment interest	X		Bank Statement
Interim Assistance (IA)	Interim Assistance. Gross regular and adjustments or recoupment payments from Public Assistance.	X		EIS screen (APBH/APIH)
JOBS	Alaska Job Opportunities and Basic Skills allowances.		X	
JTPA	The Job Training Partnership Act of 1983.		X	

Jury duty pay & witness fees	Jury duty payments and witness fees count as earned income. Any portion of a jury duty payment or witness fee that is designated as a reimbursement for items such as food, lodging, parking, or transportation is excluded as income. Exception: Jury duty payments issued directly to the employer is exempt income.	X		Copy of check, check stub, official letter
Loans	Money received from an educational, personal, commercial, or other loan for which the borrower has an obligation to repay.		X	
Lottery Winnings	Lottery winnings paid on an annual basis shall be averaged over twelve months and counted as monthly income.	X		
Lump sum payments	Unless specified as not countable.	X		
MASST (Title V)	Allowances, earnings, and payments from an employer and funded by the Mature Alaskans Seeking Skills Training program (MASST), federally known as the Senior Community Service Employment Program (SCSEP) is administered under Title V of the Older Americans Act, P. L. 100-175.		X	Wage stubs or statement from employer specifying gross wages, EIS screen (CANO)
Military Pay	When a household member is deployed, the deployed person's income is counted as household income,	X	X	Leave and Earnings Statement, EIS screen (CANO)

	<p>except that portion paid directly to the deployed person for expenses. Also add in their COLA and BAH.</p> <p>NOTE ON MILITARY PAY: The income on the Leave and Earnings Statement is considered a single monthly repayment, even when military personnel receive a mid-month paycheck. For example, a military person receives a mid-month check on November 15 and the end of the month check on November 30. The November, showing income for November 1 through 30, is received December 1. The income shown on this is countable income for November. See Combat Pay.</p> <p>SAVE Pay is excluded military income.</p>			
Money from 3rd Party	<p>Funds provided and used for the care of a third party beneficiary who is not a household member (third party payee) are exempt. For example, a household receives child support for a child not living in the home. The household sends the child support to the child. This child support is not income to the household. This also includes situations where separate</p>		X	

	households share rent and one household receives a rent payment from the other and pays the landlord. The household that pays the landlord would not have the money counted as income that was given to it by the other household to pay the rent.			
Native Dividends	Native Corporation Dividends. First \$2,000 is exempt, additional dividends after the first \$2,000 are countable, per person per year.	X	X	Dividend Check stub or 1099
Native Elders Assistance	Tribal payments to elders because they are elders.		X	
Natural Resource Conservation Grants	Grants awarded through the NRCS to improve water management and/or improve resource conditions.	X		Copy of the grant award or letter showing the total grant amount and the time period of the award (6 months, 1 year, 2 years.)
Offsets (DOL)	Dept. of Labor offsets. Per 7 AAC 44.040 I "The department will calculate the household's gross monthly income by counting total cash receipts before taxes, earned and unearned, derived from any source by any member of the household in the calendar month before the date of signature on the completed application."	X		
Other Income	Income will be attributed to the household from individuals not considered to be household	X		Acceptable verification depends on the type and source of income.

	members. These situations include: Households with a member disqualified as an ineligible alien or for failure to provide a social security number or declare citizenship. The excluded member's income is countable income.			
Other Income	Sale of personal property, house, boat, car, receipt of a loan payment, escrow payment, etc.	X		
PASS Child Care Payments	PASS I, II, and III Child Care payments paid to persons for their child care expenses are excluded income. These payments are countable earned income to the child care provider.		X	
Pensions		X		EIS screen (CANO), benefit statement, year-end statement, R-1099
PERS/TRS	State of Alaska retirement plans, including cash-outs.	X		EIS screen (CANO), benefit statement, year-end statement, current pay stubs showing gross amount
PFD	Alaska Permanent Fund Dividend. Exception: A PFD received by the household by a non-household member. This would be considered countable income.		X	EIS screen (CANO), bank statement
Public Assistance	Public Assistance income includes TANF payments (Alaska Temporary Assistance Program and	X		EIS screen or Native Family Assistance Agency.

	Native Family Assistance) and Adult Public Assistance payments (Aid to the Disabled, Aid to the Blind, Old Age Assistance, and Interim Assistance).			
Railroad Retirement Act payments	An annuity payment under the Railroad Retirement Act and determined to be eligible to receive Medicare or determined disabled.	X		Current award letter EIS screen (CANO), year-end statement, R-1099
Recoupment	Monies withheld from an assistance payment, earned income, or other income source or monies received from any income source which is voluntarily or involuntarily returned, to repay a prior overpayment from that income source.	X		
Reduction for Fraud	Reductions due to Fraud: When a TANF or APA benefit is reduced to repay a fraud overpayment, the calculation of the food stamp allotment will use the TANF or APA amount the household would have received without the grant reduction. This applies only if a formal fraud finding was determined by the administrative disqualification process or a conviction by court.	X		
Reimbursements	Payments received for reimbursement of expenses incurred in connection with employment, such as		X	

	travel, meals, mileage, training, or per diem reimbursement, payments received for reimbursement of medical expenses and reimbursements made to an individual serving as a volunteer.			
Rental Income	Rental income (gross income minus costs of doing business). Costs of doing business may include the mortgage, taxes, and insurance. Note: Rental income received in a lump sum shall be averaged over the months of intended use and counted as monthly income.	X		
Retirement & SBS	Payments or cash-outs.	X		
Reverse Mortgage	Payments from a reverse mortgage.		X	
Room Renter	Count the rent but don't count the room renter as part of the household.	X		Rent receipt, EIS screen (CANO), last year's HAP case
SAVE PAY	Military Pay that is not countable income.		X	See MS 7003-5(B)(2)(b)
Seasonal Work	A regular season of 11 months or less. May include fishing, logging, school district, tourism, fire fighting jobs.	X		Completed seasonal work statement, DOL (BTWI), 1099 form, final settlement statement (fishing)
Self-Employment	Net self-employment income for the previous 12-month period after allowable deductions. Self-employment includes occupations such as small business, crafts,	X		Completed self-employment form, IRS 1040 + Schedule C income tax form, DOL (BTWI) Acceptable: tax and

	boarding house manager/owner, ownership of rental property, and seasonal self-employment such as fishing.			bookkeeping records, account statements. Written verification of self-employment income and expenses are required.
Senior Benefits	Per our regulations – exempt.		X	
SNAP (formerly known as Food Stamps)			X	
Social Security Advances	This income is a <i>loan</i> from a financial institution to a person receiving direct deposit SSA income. It is paid to the bank when the month SSA benefit is received.		X	
Social Security Benefits (SSI/SSA)	Social Security benefits (SSA) – retirement, survivor's disability and dependents benefits; Supplemental Income (SSI) – aged, blind, and disabled person's benefits, and Veterans benefits are considered unearned income.	X		Award letters, SVES SDX/Bendex, EIS screen (CANO), a statement from Social Security, last year's HAP case
SSI Payment – Exception	The portion of the SSI payment that is deducted as a payee fee, up to 10% of the monthly benefit not to exceed \$35* is excluded. If the client's disability is based on drug addiction or alcoholism, the fee can be 10% of the monthly benefit not to exceed \$68*. To qualify to collect a payee fee, the organization must be a community based nonprofit social service agency. (*Fee amounts		X	

	effective December 2007).			
Stock & Bonds		X		Letter regarding condition of payment, bank statement
Strike Benefits	Cash payments, including payments to a household from a wage earner not residing with the household because of his or her employment.	X		Copy of check, statement/Union.
Student Reimbursements or Allowances	Any payment made under Title IV of the Higher Education Act or under BIA student assistance programs is entirely excluded. Other educational income that is either used or intended to be used for allowable educational expenses is excluded.		X	
Student Loans Grants			X	Award Letters, billing statements, statement from household
Student Study grants	Also known as Work-Study grants.		X	
Student Wages	Wages received by a half-time student less than 18 years of age (this exclusion continues during semester breaks and summer vacation) and who is not the head of household. Use the date and signature to determine if the person was 18 years old at the time of application.		X	
Subsidized Adoption payments	Including adoption stipends	X		EIS screen (CANO) or Native Family

				Assistance agency, 3rd party
Supplemental Security		X		SVES, benefit statement, last year's HAP case
TANF	Temporary Assistance for Needy Families. Gross regular and adjustments or recoupment payments from Public Assistance.	X		EIS screen (CANO) or Native Family Assistance agency, TANF records or check stub
Tips or Gratuities		X		Pay stubs that list the tips, EIS screen (CANO), client statement
Title IV	Higher Education Act and Bureau of Indian Affairs Student Assistance Programs: Pell, Byrd Scholars, LEAP, SLEAP, Upward Bound, SIG, Stafford, Perkins, Work-Study, etc.		X	Award Letter or Contact awarding institution
Title V (CSEP)	Received by senior citizens under the CSEP and/or MASST		X	
Trade Readjustment Act (TRA)		X		
Trust Disbursements to the individual Income to a Special Needs Trust	Monthly payments to the client. Only count disbursements received from the trust account by the client during the month. Paid to a third party payee for client. SSA, SSI, or Inheritances.	X	X	Statements from trust regarding disbursements amount, EIS screen (CANO)
Unemployment Insurance (UIB)	Direct deposits benefits are counted as income on the date of issuance, including amounts garnished, off-sets/recoupment.	X		DOL screen BB53, statements from other states re: disbursements amounts, EIS screen (CANO)
Uniform Relocation Assistance and Real	The following payments are excluded as income		X	

Property Acquisition Policies Act of 1970	under Title II: payments to persons displaced as a result of the acquisition payments to a displaced homeowner toward the purchase of a replacement dwelling (such payment may only be to a displaced owner who purchases and occupies a dwelling within one year following displacement); replacement housing payments to a disabled person not eligible for a homeowner's payment.			
Vendor payments	Cash payments made by a person or organization outside of a household directly to a vendor or provider to meet expenses for a household. Including former spouse paying rent/mortgage.	X		Statement from person providing the payment, copies of checks/stubs, EIS screen
Veterans Retirement Benefits	For Retired Military Personnel, that are veterans, but not disabled. Different from Veterans Disability Benefits.	X		Current award letter, EIS screen, year end statement, R-1099. Retiree Account Statement, which will show income tax deductions.
Veterans Disability Benefits		X		Bank statement permitted since these payments have no deductions.
Veterans [Vietnam] Disability Benefits	Veterans benefits provided to children of Vietnam veterans (including adult children) who were born with the congenital defect spinal bifida, benefits paid to		X	

	children of women, Vietnam veterans, born with certain other birth defects.			
Veterans Voc Rehab Schools			X	
Veterans Voc Rehab Housing		X		
Victims of Crime	Any payment received from a fund established by a State to aid victims of crime is excluded from income.		X	
Vocation Rehabilitation Payments	Payments made to or on behalf of a household member by the division of vocational rehabilitation, DOLWD, for purposes related to training programs in which the individual is enrolled.		X	
Volunteer Payments	Any payments (salary, wages, stipend, or reimbursements) paid to volunteers under the Senior Corp and AmeriCorps programs of the Corporation for National and Community Services (CNCS) are excluded income: AmeriCorps-State and National AmeriCorps-VISTA AmeriCorps-NCCC – National Civilian Community Corps Foster Grandparents RSVP – Retired & Senior Volunteer Corps Senior Companion Program		X	Volunteer status and participation in an exempt program must be verified
Volunteers	Payments received for support services or reimbursement of out-of-pocket expenses, such as lunches or transportation,		X	

	made to an individual serving as a volunteer.			
Wages	Wages and salaries before any deductions or garnishments, cost of living allowance (COLA), leave cash-outs, vacation pay, bonuses, training stipends, and back-pay. Including commissions, bonuses, profit sharing, tips, stipends, severance pay, sick leave, royalties, and honoraria which result from the client's work service, cash advances. Income from babysitting, housekeeping, craft sales, fishing, etc. is considered wages unless the applicant is claiming self-employment.	X		Employer's statement signed and dated, employer's wage record, paycheck stub, collateral contact with the employer, EIS screen (CANO)
Wage Withholding	Wages held by an employer without the employee's approval are exempt income, except for garnishments.		X	
WIC	Payments or benefits received under the Women, Infant, and Children Program (WIC) are exempt.		X	
Workers Compensation	Gross income including recoupments and adjustment payments.	X		FAX, email, or statement from Workers Comp, EIS screen (CANO)
Workforce Investment Act	On the job training program: earnings paid to persons participating in on-the-job training under a Workforce Investment Act (WIA) program are exempt when the person earning the money is		X	Employer's statement signed and dated, employer's wage record, paycheck stub, collateral contact with the

	under 19 years old. WIA earnings paid to persons 19 years or older are countable earned income.			employer, EIS screen
Work-Study Earned Income	College or university students may be enrolled in a work-study program in which they attend school part-time and work part-time at a job. Any income a household or recipient earns from employment in a work-study program will not be counted as income.		X	This disregard applies to both adults and children. The worker must verify that part-time employment of recipient who claims to be in a work-study program is in fact in a work-study job and not an individually acquired regular part-time job.