

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, California 95814



March 11, 2005

ALL COUNTY LETTER NO. 05-04

REASON FOR THIS TRANSMITTAL

- State Law Change
- Federal Law or Regulation Change
- Court Order
- Clarification Requested by One or More Counties
- Initiated by CDSS

TO: ALL COUNTY WELFARE DIRECTORS
ALL FOOD STAMP COORDINATORS
ALL QUALITY CONTROL COORDINATORS
ALL CalWORKS PROGRAM SPECIALISTS

SUBJECT: EXCLUSION OF MILITARY INCOME IN THE FOOD STAMP PROGRAM (FSP) DUE TO DEPLOYMENT OF MILITARY PERSONNEL TO A COMBAT ZONE EFFECTIVE OCTOBER 1, 2004

This letter is to instruct counties on the treatment of military pay received by military personnel deployed to a designated combat zone as mandated by the Consolidated Appropriations Act, 2005, Public Law (P.L.) 108-447, signed into law by the President on December 8, 2004. The new policy is effective March 1, 2005 with retroactivity back to October 1, 2004 (retroactivity is further discussed under the heading "Retroactivity and entitlement to Restoration of Lost Benefits" below).

Specifically, P.L. 108-447 states that any additional payment received by a member of the United States Armed Forces deployed to a designated combat zone shall be excluded from household income for the duration of the member's 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. P.L. 108-447 impacts existing Food Stamp Program policy by providing authority to exempt a portion of military pay made available to the household if that portion of military pay is received as a result of military personnel being deployed to a combat zone.

Under existing policy, only money actually made available to the applicant or participating food stamp household by the absent military family member is counted as income for food stamp benefit computation purposes. The new law now requires County Welfare Departments (CWDs) to determine if any of the military allotment made available to the household by an absent member deployed to a designated combat zone should be excluded when determining the amount of food stamp benefits.

The CWD shall:

- (1) Establish what amount of the military person's pay that was actually available to the household prior to the deployment of the military person to a designated combat zone. If the military person was part of the household prior to Deployment to a combat zone, this amount is considered net military pay. If the military person was not part of the household prior to the military person's deployment to a designated combat zone, this amount is the amount the absent military person actually made available to the family prior to deployment to the designated combat zone.
- (2) Determine the amount of military pay the deployed member is making available to the household.
- (3) Determine if the amount of military pay made available is equal to or less than the amount the household was receiving from the military person prior to deployment to a designated combat zone:
 - (a) If the military pay is equal to or less than the amount the household was receiving from the military person prior to deployment, all of the allotment would be counted as income to the household.
 - (b) Any portion of the amount that exceeds the amount the household was receiving prior to deployment should be excluded as income when determining the amount of food stamp benefits.

Attachment I provides a listing of designated combat zones and **Attachment II** provides a list of pay items that are subject to exemption as income in the FSP due to deployment to a combat zone. The deployed person's military pay record, the Leave and Earnings Statement (LES), is often sent directly to the family or can be mailed to the family by the deployed person. When the family has the LES, it will identify combat pay if it is being received and can be used to establish deployment to a combat zone and the amount of combat pay. Deployment to a combat zone can also be established through orders issued to the military person. Entire units are deployed and the place of their deployment is a matter of public record. It is incumbent upon the household to obtain the pay information of the deployed person, which can oftentimes be available via the web or via the local base financial office, if not available on the LES.

Retroactivity and Restoration of Lost Benefits

P.L. 108-447 authorizes retroactivity back to October 1, 2004. Any household that had an increase in income as a result of the deployment of the service member to a designated combat zone that was counted in their food stamp case as of October 1, 2004, is entitled to restoration of lost benefits. CWDs shall make such a determination no later than at the household's next recertification. Reviews must be done when the household requests a review of its case. If it becomes known to the county that a household was denied food stamp benefits because excludable income was used in the decision to deny food stamp benefits, a restoration of lost benefits must be computed for the household.

Quality Control (QC) Hold Harmless

A 120-day QC variance exclusion begins as of the date of implementation and continues until 120 days later. That period is March 1, 2005 through June 29, 2005. Any variance resulting from mistakes in the treatment of income for deployment to a combat zone during the 120-day period will be excluded in the QC review process. Also, starting October 1, 2004, cases which have deployment income will not be assessed a QC variance.

California Work Opportunity and Responsibility to Kids (CalWORKs)

Please note that CalWORKs does not exclude military pay for those deployed in combat zones. Eligibility is based on state requirements stemming from state law; and therefore, for CalWORKs purposes, county eligibility staff should continue to count the military pay for someone deployed to a combat zone.

If you have any questions regarding this letter, please contact LeAnne Torres of my staff at (916) 654-2135.

Sincerely,

Original signed by:

CHARR LEE METSKER, Chief
Deputy Director
Welfare to Work Division

Attachments

ATTACHMENT 1

Combat Zone – Exclusion Areas

Executive Order 12744 (effective 17 Jan 1991)

- Arabian Sea Portion that lies North of 10 degrees North Latitude and West Of 68 degrees East Longitude
- Bahrain
- Gulf of Aden
- Gulf of Oman
- Iraq
- Kuwait
- Persian Gulf
- Qatar
- Oman
- Red Sea
- Saudi Arabia
- United Arab Emirates

Direct Support of EO 12744

- Turkey effective 1 Jan 2003
- Israel effective 1 Jan – 31 July 2003
- Eastern Med effective 19 Mar – 31 July 2003
- Jordan effective 19 Mar 2003
- Egypt effective 19 Mar – 20 Apr 2003

Executive Order 13239 (effective 19 Sep 2001)

- Afghanistan

Direct Support of EO 13239

- Pakistan effective 19 Sep 2001
- Tajikistan effective 19 Sep 2001
- Jordan effective 19 Sep 2001
- Incirlik AFB Turkey effective 21 Sep 2001
- Kyrgyzstan effective 1 Oct 2001
- Uzbekistan effective 1 Oct 2001
- Phillipines (only troops w/orders that reference OEF) effective 9 Jan 2002
- Yemen effective 10 Apr 2002
- Djibouti effective 1 Jul 2002

Executive Order 13119 (effective 24 Mar 1999)

Public Law 106-21 Establishing Kosovo as Qualified Hazardous Duty Area (24 Mar 1999)

- The Federal Republic of Yugoslavia (Serbia/Montenegro)
- Albania
- The Adriatic Sea
- The Ionian Sea north of the 39th parallel

Public Law 104-117 Establishing a Qualified Hazardous Duty Area (November 1995)

- Bosnia
- Herzegovina
- Croatia
- Macedonia

ATTACHMENT 2

SPECIAL AND INCENTIVE PAYS

Release date: 2003-05-29

- § 301. Incentive pay: hazardous duty
- § 301a. Incentive pay: aviation career
- § 301b. Special pay: aviation career officers extending period of active duty
- § 301c. Incentive pay: submarine duty
- § 301d. Multiyear retention bonus: medical officers of the armed forces
- § 301e. Multiyear retention bonus: dental officers of the armed forces
- § 302. Special pay: medical officers of the armed forces
- § 302a. Special pay: optometrists
- § 302b. Special pay: dental officers of the armed forces
- § 302c. Special pay: psychologists and nonphysician health care providers
- § 302d. Special pay: accession bonus for registered nurses
- § 302e. Special pay: nurse anesthetists
- § 302f. Special pay: reserve, recalled, or retained health care officers
- § 302g. Special pay: Selected Reserve health care professionals in critically short wartime specialties
- § 302h. Special pay: accession bonus for dental officers
- § 302i. Special pay: pharmacy officers
- § 302j. Special pay: accession bonus for pharmacy officers
- § 303. Special pay: veterinarians
- § 303a. Special pay: health professionals; general provisions
- § 303b. Waiver of board certification requirements
- § 304. Special pay: diving duty
- § 305. Special pay: hardship duty pay
- § 305a. Special pay: career sea pay
- § 306. Special pay: officers holding positions of unusual responsibility and of critical nature
- § 306a. Special pay: members assigned to international military headquarters
- § 307. Special pay: special duty assignment pay for enlisted members
- § 308. Special pay: reenlistment bonus
- [§ 308a. Repealed.]
- § 308b. Special pay: reenlistment bonus for members of the Selected Reserve
- § 308c. Special pay: bonus for enlistment in the Selected Reserve
- § 308d. Special pay: enlisted members of the Selected Reserve assigned to certain high priority units
- § 308e. Special pay: bonus for reserve affiliation agreement
- [§ 308f. Repealed.]
- § 308g. Special pay: bonus for enlistment in elements of the Ready Reserve other than the Selected Reserve
- § 308h. Special pay: bonus for reenlistment, enlistment, or voluntary extension of enlistment in elements of the Ready Reserve other than the Selected Reserve
- § 308i. Special pay: prior service enlistment bonus
- § 309. Special pay: enlistment bonus
- § 310. Special pay: duty subject to hostile fire or imminent danger
- [§ 311. Repealed.]

- § 312. Special pay: nuclear-qualified officers extending period of active service
- § 312a. Special pay: nuclear-trained and qualified enlisted members
- § 312b. Special pay: nuclear career accession bonus
- § 312c. Special pay: nuclear career annual incentive bonus
- [§ 313. Repealed.]
- § 314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas
- § 315. Special pay: engineering and scientific career continuation pay
- § 316. Special pay: foreign language proficiency pay
- § 316a. Waiver of certification requirement
- § 317. Special pay: officers in critical acquisition positions extending period of active duty
- § 318. Special pay: special warfare officers extending period of active duty
- § 319. Special pay: surface warfare officer continuation pay
- § 320. Incentive pay: career enlisted flyers
- § 321. Special pay: judge advocate continuation pay
- § 322. Special pay: 15-year career status bonus for members entering service on or after August 1, 1986
- § 323. Special pay: retention incentives for members qualified in a critical military skill
- § 324. Special pay: accession bonus for new officers in critical skills
- § 325. Incentive bonus: savings plan for education expenses and other contingencies