Food Distribution National Policy Memorandum

United States Department of Agriculture

Food and Nutrition Service

3101 Park Center Drive

Alexandria, VA 22302-1500

DATE: MAY 12 2011

POLICY NO: FD-116: Commodity Supplemental Food Program (CSFP), Food Distribution Program on Indian Reservations (FDPIR), and The Emergency Food Assistance Program (TEFAP)

SUBJECT: Claims Resolution Act of 2010 – Payments Received via the *Cobell* Settlement

The Claims Resolution Act of 2010 (the Act; P.L. 111-291) was signed into law on December 8, 2010. The Act includes provisions related to the December 2009 settlement agreement reached in *Cobell et al. v Salazar et al. (Cobell)*, a class action lawsuit filed by Native Americans, which may affect certain eligibility determinations in CSFP, FDPIR, and TEFAP.

Section 101(f)(2) of the Act requires that amounts received by an individual as a lump sum or a periodic payment via the *Cobell* settlement cannot be counted as income in the month received, or as a resource in the one year period beginning the date of receipt, in any Federal or Federally assisted program. Therefore, *Cobell* settlement payments cannot be counted as income in the month received under CSFP, FDPIR, and TEFAP.

Furthermore, for FDPIR, such payments cannot be counted as resources for one year beginning the date of receipt. For TEFAP States that include resource limits among their eligibility criteria, such payments cannot be counted as resources for one year beginning the date of receipt.

Cathie McCullough
Director
Food Distribution Division

The contents of this guidance document do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.