

Federal ruling: ANSCA dividends won't affect aid

State food stamp administrators have received word from the United States Department of Agriculture that they should stop counting the value of Alaska Native Claims Settlement Act dividends when they calculate food stamp benefits for public assistance clients.

State officials said they are pleased that the federal attorneys agreed with their interpretation of ANCSA that Native dividend payments should be totally exempted for food stamp purposes, regardless of whether the Internal Revenue Service considers them taxable.

"This will solve a big part of the problem that clients have faced two months after receiving a dividend payment," said John Taber, state public assistance director. "From now on, we will no longer treat these payments as countable income or resources, so they will not affect the amount of food stamps that a family gets," he added.

Under the budget procedures required by the federal government, food stamp benefits usually go down two months after income is received. By that time, most people have spent the money and often they have no way to make up the food stamps they have lost.

"Our next step is to take this decision to the federal Aid to Families with Dependent Children officials and see if they will adopt the same policy," Taber said. Assistance in obtaining this ruling was provided by several Native corporations and the Alaska Legal Services Corp.