

Questions and Answers on Assets for Independence (AFI) Participant Eligibility and Selection

Question: We are careful to document income and net worth when participants enroll. Some participants' household or net worth income increases while enrolled in the project, placing them outside of the AFI eligibility requirements. Do these participants have to leave the project without making a matched asset purchase?

Answer: Eligibility documentation and determination takes place at the time of enrollment. Grantees should not re-establish eligibility unless they are transferring a participant to a different AFI grant held by their organization. Participants' whose household income and/or net worth increases after enrollment do not have to leave the project.

Question: Are there age limits for participating in AFI?

Answer: There are no statutory age requirements for the AFI program, but there are aspects of the AFI program that make participation by children difficult.

For example, an individual must be able to attain an allowable asset within the five-year period of the grant in which they are enrolled. An eligible individual that is three years away from making an asset purchase (such as postsecondary education) could be enrolled by an organization that is in the first or second year of their AFI project. However, this individual would not be a good candidate for enrollment in years four and five. Someone that is seven years away from making an asset purchase would not be a good candidate for enrollment for any AFI project.

Question: Can people with sporadic or seasonal wages participate in an AFI IDA project?

Answer: There is no statutory restriction that would prevent an eligible individual with irregular income from participating in an AFI IDA project. The AFI Act does not require regular deposits by participants, such as monthly deposits. The AFI Act *does* require that participants' deposits be earned income in order to be matched by the federal and non-federal AFI project funds. The AFI Act also requires that at least six months pass between the initial deposit into the IDA and a matched withdrawal for an asset purchase.

In setting up the rules and procedures for their project, AFI grantees may choose to require participants to make regular deposits, such as monthly deposits. If the grantee serves many eligible individuals with irregular income, however, requiring monthly deposits may make it difficult for those individuals to participate in the AFI project.

Question: How does participating in AFI affect public benefits?

Answer: Under Section 415 of the AFI Act, money in an AFI IDA is not included when determining if the AFI IDA holder should receive any federal assistance/benefit or how much assistance/benefit they are eligible to receive as long as the AFI IDA is open. There may be exceptions if another federal law supersedes the AFI legislation.

As an example, the Supplemental Nutrition Assistance Program (SNAP) provides nutrition assistance to millions of eligible, low-income individuals and considers savings as part of eligibility. Households may have \$2,500 in countable resources, such as a bank account, or \$3,250 in countable resources if at least one person is age 60 or older, or disabled. If an individual applying for SNAP benefits also has an open AFI IDA, the funds in that IDA would not be considered in the countable resources calculation because of Section 415 of the AFI Act.