

To Whom It May Concern:

_____ [name] holds an Individual Development Account (IDA) administered by _____ [grantee name] with a grant from the federal Assets for Independence Program. An IDA is a matched savings account that allows a low-income individual or family to save for a specific purpose, such as attaining higher education, purchasing a home, or starting a business.

Under federal law, ANY and ALL resources in an Assets for Independence Program IDA must not be considered when determining eligibility or benefit levels for any federal benefit program that considers an applicant's financial circumstances. This mandatory disregard applies to the individual's savings, any matching contributions, and interest accruing on funds in the account.

The relevant provision in federal law states:

Section 415. **NO REDUCTION IN BENEFITS.** Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986) that requires consideration of one or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this Act shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.¹

The full text of the Assets for Independence Act is available on the program website at <http://www.acf.hhs.gov/assetbuilding/afialaw2000.pdf>

If you have any questions about _____ [grantee name] AFI IDA program, please contact _____ [AFI IDA program manager name] at _____ [number]. If you have any questions about the Assets for Independence Act, please contact the Federal Assets for Independence Program on (202) 401-4626.

¹ COMMUNITY OPPORTUNITIES, ACCOUNTABILITY, AND TRAINING AND EDUCATIONAL SERVICES ACT OF 1998. Public Law 105-285. 105th Congress TITLE IV-- ASSETS FOR INDEPENDENCE. Assets for Independence Act. 42 USC 604 note. Section 415.

Sincerely,