



SECRETARY OF THE ARMY
WASHINGTON

27 FEB 2023

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Army Directive 2023-06 (Army Basic Needs Allowance Program)

1. References.

- a. Title 26, U.S. Code, section 61 (26 U.S.C. 61)
- b. 37 U.S.C. 402b
- c. Department of Defense (DoD) Instruction 1341.15 (Basic Needs Allowance), effective 15 November 2022
- d. Secretary of the Army memorandum (Integrated Personnel and Pay System-Army (IPPS-A) Implementation Guidance), 15 March 2022
- e. Army Regulation (AR) 600-8-104 (Army Military Human Resource Records Management), 7 April 2014
- f. AR 637-1 (Army Compensation and Entitlements Policy), 26 July 2021

2. Purpose. This directive establishes policies and procedures and assigns responsibilities for the Army's Basic Needs Allowance (BNA) Program.

3. Applicability. This directive applies to the Regular Army (RA), Army National Guard (ARNG)/Army National Guard of the United States (ARNGUS), and U.S. Army Reserve (USAR).

4. Background. The BNA is an allowance for Soldiers with at least one dependent whose income falls below Federal poverty guidelines. It promotes economic security for Soldiers and their Families by providing financially challenged and eligible Soldiers a supplemental allowance.

5. Policy. Effective immediately, Soldiers will be screened for BNA eligibility, and applications for the BNA will be processed through the Soldier's chain of command. Where this policy conflicts with any other Army regulation or guidance, this directive is controlling. For the definitions and terms used in this directive, see the enclosure.

- a. Eligible Soldiers. RA Soldiers and ARNG/ARNGUS or USAR Soldiers serving on active duty, with at least one dependent reported in the Defense Enrollment Eligibility

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Reporting System (DEERS), are eligible for the BNA and may be certified if they meet the following criteria:

(1) They have completed initial entry training (IET).

(2) Their gross household income (GHI) during the previous calendar year and current monthly GHI do not exceed the appropriate percentage of the Federal Poverty Guidelines (FPG) for their location, as determined by the Secretary of Defense.

(3) They have voluntarily applied for the BNA and provided the required information and supporting documents to determine eligibility.

b. **Ineligible Soldiers.** Soldiers are ineligible for the BNA if any of the following criteria apply:

(1) Their GHI during the previous calendar year and current monthly GHI exceeds the percentage determined by the Secretary of Defense.

(2) They have not completed IET.

(3) They do not have a dependent.

(4) They are a cadet at the United States Military Academy.

(5) They are an ARNG/ARNGUS or USAR Soldier not serving on active duty.

(6) Having been notified of potential BNA eligibility, they fail to submit an application within 90 days of notification.

(7) They elect in writing not to receive the allowance.

c. **Special BNA Eligibility Considerations.**

(1) Soldiers in a non-pay status, for any reason, are not eligible for the BNA during the non-pay period. When Soldiers are returned to a pay status, they may apply or reapply for the BNA.

(2) When a household contains multiple Servicemembers determined to be eligible to receive the BNA, only one allowance may be received. The household Servicemembers must jointly elect which member must receive the allowance.

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(3) If the Soldier's previous-year GHI was reduced due to a fine, forfeiture, or reduction in rank imposed as part of a disciplinary action, the Soldier is not eligible for the BNA solely due to the fine, forfeiture, or reduction in rank.

(4) A Soldier receiving the BNA will continue to receive it until separation.

(5) Soldiers may become eligible for the BNA if a change in their dependents reported in the DEERS is such that the Soldier's calculated GHI drops below the percentage of FPG determined by the Secretary of Defense.

(6) Soldiers determined to be eligible to receive the BNA will be considered automatically ineligible if their monthly GHI increases because of a promotion or other permanent increase to pay or allowances.

(7) Certifying officials must notify Soldiers receiving the BNA if they become ineligible due to a change in dependents, promotion, or other permanent increase to pay or allowances. The BNA will terminate 60 calendar days after the date of pay increase or change in DEERS.

d. Screening.

(1) The U.S. Army Training and Doctrine Command (TRADOC) schoolhouse commanders, with assistance from installation human resource officers (HROs), will screen Soldiers for BNA eligibility before they complete IET.

(2) Unit commanders, with assistance from installation HROs, will screen Soldiers during in- and out-processing, Soldier readiness processing, and on arrival and departure at the Mobilization Force Generation Installation (MFGI) for ARNG/ARNGUS and USAR Soldiers. First Army and parent units will assist with screening at the MFGI.

(3) Unit commanders, installation HROs, and S1 personnel will screen Soldiers annually during the Personnel Readiness Review. Installation HROs will assist with screening for all non-Personnel Service Deliver Re-design (PSDR) units.

(4) HROs and adjutants will maintain documentation on Soldiers who were screened and the results of the screenings.

(5) The Soldier's current monthly GHI and preceding calendar year GHI will be reviewed during the screening.

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(6) The Soldier's applicable FPG will be determined by family size (Soldier plus dependents) and rates for these geographic locations:

(a) 48 contiguous States and the District of Columbia (This rate is also used to compute the BNA for duty outside the United States.)

(b) Hawaii

(c) Alaska

(7) If the screening determines that a Soldier's current monthly GHI does not exceed the percentage of FPG determined by the Secretary of Defense, the Soldier may be eligible for the BNA and should be notified by the commander.

(8) All Soldiers determined to be eligible for the BNA will be notified and counseled in writing. Additionally, TRADOC schoolhouse commanders will report all IET Soldiers who could be eligible based on screening to the Soldiers' first duty station.

(9) Notification of eligibility for IET graduates will occur at the Soldiers' first permanent duty location.

e. Counseling. If an initial or annual screening determines that a Soldier could be eligible for the BNA, company commanders will counsel the Soldier, in writing, on the eligibility determination and all BNA application instructions, as well as the following provisions:

(1) Eligibility to apply for the BNA and notification of screening eligibility does not guarantee certification, and receipt of the allowance is voluntary.

(2) To receive the BNA, Soldiers will apply and provide all substantiating documentation no later than 90 days after written notification. If an application is not submitted within the 90-day window, the Soldier will be deemed ineligible for the BNA.

(3) Receipt of the BNA may affect participation of the household in the Family Subsistence Supplemental Allowance (FSSA) and Army Emergency Relief (AER), as well as certain Federal assistance programs, such as the Supplemental Nutrition Assistance Program (SNAP); subsidized school lunch programs; the Women, Infant, and Children (WIC) Program; low-income utility assistance programs; daycare programs; and other income-based assistance programs.

(4) The BNA is taxable income pursuant to reference 1a.

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f. Application.

(1) DA Form 4187 or its system-generated equivalent will be used for the purpose of collecting and maintaining information submitted by Soldiers and commanders for the purpose of applying for and certifying the BNA.

(2) Soldiers will include all required information to determine eligibility and compute the BNA. Soldiers can obtain assistance from installation financial counselors and the installation community and family support services offices.

(3) GHI Calculation.

(a) Soldiers will calculate their current monthly and preceding-calendar-year GHI based on location and the number of individuals in their household recorded in DEERS.

(b) If applicable, bonus payments will be prorated over the period to which the bonus is applicable for inclusion in the GHI calculation.

(c) Any GHI received in a foreign currency must be converted to U.S. dollars using the prevailing rate of exchange at the time of the application.

(d) Sporadic, variable, or seasonal income must be counted only during the months in which it is received and will be calculated only when determining preceding-calendar-year GHI.

(e) Exclusions from GHI are noted in the definitions enclosure and as further specified by the Secretary of Defense.

(4) Commanders in the grade of O-5 and above are hereby delegated the authority to certify BNA applications. This authority may not be further delegated. Commanders will certify BNA applications within 30 days of receiving an application.

(5) Soldiers may submit a BNA application without being notified or counseled after a screening.

(6) If the Soldier has approved separation orders, the application will be rejected.

(7) If the application is certified, HRO professionals will scan and send all substantiating documentation to the integrated Personnel Electronic Records Management System (iPERMS).

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g. Certification and Payment.

(1) Commanders will notify certified Soldiers, in writing, of any of these application outcomes:

(a) eligibility for the BNA; amount of monthly BNA; need to elect to either receive or decline the BNA, in writing, with the certifying officer; and requirement for the Soldier to report increases or decreases in reoccurring monthly GHI of \$150 or more

(b) ineligibility for the BNA or other denial, noting the reasons why

(c) inability to process the application, noting the reasons why

(2) The BNA is payable monthly to eligible Soldiers. Eligibility for payment begins on the date of the Soldier's certification or 1 January 2023, whichever is later.

(3) A Soldier may voluntarily discontinue the BNA at any time.

(4) The BNA amount is calculated as 1.3 times the most recently published FPG (by location) for the calendar year during which the allowance is paid and the current number of individuals in the Soldier's household, minus the Soldier's GHI during the preceding calendar year, divided by 12, and rounded to the nearest whole dollar.

(5) If a Soldier is certified for the BNA for less than a full month, payment for that month must be prorated based on the number of days of the certified Soldier's eligibility for the allowance during the month. Proration will be computed at the rate of 1/30th of the monthly BNA amount for each day of certification during the month.

(6) Unit and installation HROs will submit certified BNA applications to their local finance office for payment.

(7) Soldiers receiving the BNA and pending separation are authorized to continue to receive the BNA until separation.

(8) Commanders must maintain documentation on: (a) Soldiers who were notified, (b) Soldiers who have applied for the BNA, and (c) Soldiers who were certified.

h. Recertification.

(1) Soldiers receiving the BNA will recertify annually no later than 1 April.

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(2) Recertification includes an updated application with all substantiating documentation.

(3) If a Soldier receiving the BNA executes a permanent change of station, the BNA must be recertified and recomputed based on the new duty location.

(4) When Soldiers provide substantiated information that their current monthly GHI increases by \$150 or more per month, recertification is required.

(5) When Soldier eligibility is not recertified in a timely manner, eligibility for the BNA will be lost, and the date for termination of the entitlement will be the date when the entitlement should have been recertified.

i. Training.

(1) Commanders, division staff officers, and Financial Readiness Centers will ensure that personnel in positions to assist, process, or certify applications have completed initial training developed and provided by the Deputy Chief of Staff (DCS), G-9.

(2) The Commanding General, TRADOC; in coordination with the DCS, G-9; will ensure that BNA training is included in professional military education for adjutant general Soldiers and at battalion pre-command courses.

(3) Senior mission commanders will include BNA certification training in company commander and first sergeant courses.

6. Responsibilities.

a. The Assistant Secretary of the Army (Manpower and Reserve Affairs) (ASA (M&RA)) will provide policy oversight for the BNA Program and ensure that BNA training is incorporated under the Financial Readiness Program for commanders, personnel offices, and other key stakeholders.

b. The ASA (Acquisition, Logistics and Technology) will ensure the end-to-end business process for the BNA is documented and deployed in the IPPS-A with Release 4. The ASA will also assist the DCS, G-1 in planning configuration updates needed in IPPS-A Release 3 to support the BNA application implementation.

c. The ASA (Installations, Energy and Environment) will fund the development of BNA training and; in collaboration with the DCS, G-9; will ensure financial counselors and community or family support services personnel are trained and available to assist Soldiers in the application process.

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d. The DCS, G-1 will—

(1) Publish implementing guidance, listing all required data and substantiating documents. The IPPS-A or in-place administrative processes will be used to support the application.

(2) Track BNA expenses and develop methodologies for projecting future-year BNA requirements using actual payment amounts and demographic data.

(3) Implement command reporting requirements to track all Soldiers who are screened for the BNA and how many could be eligible for the BNA.

e. The DCS, G-9; in coordination with the ASA (M&RA); will develop and conduct initial BNA training.

f. Reserve Components. Each component G1 will work to establish screening, notification, counseling, and certification process and procedures for members performing duty under a call or order to active service

g. The Commanding General, TRADOC or other IET proponents will ensure that Soldiers attending Advanced Individual Training are screened in accordance with this directive.

7. Proponent. The ASA (M&RA) is the proponent for this policy. The DCS, G-1 will incorporate the provisions of this directive into AR 600-8-104 and AR 637-1 within 2 years of the date of this directive.

8. Duration. This directive is rescinded on publication of the revised regulations.



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Encl

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CF:

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DEFINITIONS

basic needs allowance (BNA). A supplemental monthly allowance for Servicemembers who have dependents and gross household income that falls below certain Federal income thresholds.

calendar year. The period of 365 days (or 366 days in a leap year) starting from the first of January.

certified applicant. A BNA applicant who has been determined to be eligible for the allowance by a certifying official and has elected to receive the allowance.

Federal Poverty Guidelines (FPG). Annually published income measure issued by the U.S. Department of Health and Human Services for a specific number of household members and a geographical location.

gross household income (GHI). Calculation of all income derived from each member of the household from any source, including government food assistance programs, except: (1) earned income of a dependent who is not required to file a tax return; (2) non-taxable grants and scholarships for postsecondary students; (3) income tax refunds and insurance settlements; (4) Federal and State reimbursements for expenses such as utilities, medical care, or dependent care if they do not exceed actual expenses; (5) all military travel and transportation related allowances and entitlements; (6) the amount of the BNA; and (7) any portion of the basic allowance for housing or overseas housing allowance in high cost of living areas as determined by the Assistant Secretary of Defense for Manpower and Reserve Affairs.

high cost of living area. A geographical area where the cost of living for that area exceeds the average cost of living in the continental United States by 8 percent or more in a fiscal year, or as determined by the Secretary of Defense or an authority designated by the Secretary of Defense.

household. An active-duty Servicemember and any dependents of the member enrolled in DEERS, regardless of those dependents' location.

substantiating documentation. Tax returns, leave and earnings statements, civilian pay stubs, W-2s, and other documents that can be used to verify GHI.

Enclosure