

Mickey Leland Memorial Domestic Hunger Relief Act

P.L. 101-624, 104 Stat. 3359-4078

Nov. 28, 1990

- Added a technical amendment so that elderly and/or disabled or blind residents of Guam and the Virgin Islands can use food stamps to purchase meals in authorized communal dining facilities, restaurants, or group homes and be exempt from categorical ineligibility as residents of institutions if they reside in group homes.
- Permitted homeless people to use their food stamps at authorized restaurants which contract with State agencies to offer them meals at concessional (reduced) prices in addition to soup kitchens and homeless shelters.
- Expanded categorical eligibility to recipients of certain State and local GA payments. The expansion to local GA recipients could be implemented up to six months after the expansion to State GA recipients.
- Extended the existing exclusion for educational income used for tuition and mandatory school fees to that used to rent or purchase equipment, materials, and supplies required to pursue a course of study.
- Extended the exclusion for educational income to that used in vocational education programs and programs that provide for completion of a secondary school diploma or obtaining GEDs.
- Provided an exclusion for all educational income that is similar to the existing exclusion for benefits provided under Title IV of the Higher Education Act; i.e., excluded educational income to the extent it does not exceed an allowance made available by the institution for books, supplies, transportation, and miscellaneous personal expenses (other than living expenses) incidental to attending the institution.
- Deleted the distinction between Federal and non-Federal educational income for the purpose of excluding/counting it as a reimbursement.
- Excluded both cash and vendor-payment annual clothing allowances.
- Prohibited requiring verification of changes in medical expenses if they have been anticipated.
- Provided State agencies the option to use retrospective budgeting for nonmonthly-reporting households, with certain statutory exceptions.
- Forgave State agency errors that occurred from their implementation of the Hunger Prevention Act of 1988 provision that eliminated the above (retrospective budgeting) option or from their failure to implement the HPA provision.
- Excluded resources a household is unlikely to be able to sell for any significant return.
- Excluded for AFDC/SSI recipients the same resources that are excluded by AFDC or SSI.
- Provided for emergency allotments to replace food lost in a disaster.
- Required adjusting reporting/application requirements consistent with actual conditions in a disaster area.
- Excluded all transitional housing vendor payments for the homeless except for an amount equal to 50% of AFDC's maximum shelter allowance.
- Excluded State or local GA payments that, by State law, are only provided in the form of vendor payments.
- Prohibited monthly reporting/retrospective budgeting for households that live on Indian reservations.
- Deleted the requirement that the Department approve State agencies' monthly report forms.
- Authorized adult members of a household to select the head of household at certification and recertification. No other change in household head designation could be made unless there is a change in household composition.
- Added literacy training as an E&T component.
- Included self-employment training as an E&T component.
- Excluded nonliquid resources needed for a self-employment E&T component.
- Authorized two States to give priority in E&T to volunteers.
- Changed E&T performance standards implementation date to October 1, 1991 from April 1, 1991.
- Further limited student ineligibility, as follows:

- Students between 50 and 60 may be eligible.
- Students assigned to institutions of higher education by E&T, UI, or a State or local employment and training program determined as appropriate by the Secretary may be eligible.
- Students enrolled in institutions of higher education as a result of participation in the JOBS program may be eligible.
- Full-time students who are single parents responsible for the care of children under 12 may be eligible.
- Required staggered issuance throughout the month on Indian reservations.
- Established EBT as an issuance alternative with the following requirements:
 - State agencies must obtain prior approval from the Department.
 - Final regulations must be issued by April 1, 1992.
 - EBT systems must be cost effective--capital expenditures and reasonable start-up costs are pro-rated.
 - Recipient protections (privacy, ease of use, access to and service in retail food stores) must be provided.
 - Other factors that State agencies must cover satisfactorily are: participation by retailers and banks; system security, transaction interchange, reliability, processing speeds, and accountability; operations testing before implementation; and analysis of results in a limited area prior to expansion.
 - If households are required to participate in EBT, State agencies must assure that sufficient retailers participate so that there are stores able to serve minority-language populations, so that their choices among stores is not significantly reduced, and so that the cost of food or transportation to get food is not substantially increased.
 - Where EBT is mandatory, stores with 15% or more of their sales in food stamp purchases must have special EBT equipment in operation in all checkout lines. For stores with less than 15% food stamp sales, the requirements will be set by the Department.
- Permitted the Department to continue to conduct EBT demonstration projects.
- Required annual adjustments on October 1 in the \$10 minimum benefit based on changes in the Thrifty Food Plan for the 12-month period ending the previous June rounded to the nearest \$5.
- Authorized the Department to approve up to 2 State agencies' issuing combined allotments for up to 3 months for households whose regular monthly allotments are \$20 or less.
- Made optional the provision that had required State agencies to issue a combined allotment representing the first (prorated) and second months' allotments to households that applied after the 15th of a month.
- Required that households entitled to expedited service who apply after the 15th of a month must get their first (prorated) and second months' allotments according to expedited service processing timeframes.
- Authorized the Secretary to issue regulations providing for periodic reauthorization of retailers and wholesalers.
- Prohibited authorization as retail food stores co-located wholesale-retail food concerns unless: 1) the firm does a substantial retail food business or 2) the Department determines that failure to authorize such a firm as a retail food store would cause hardship to food stamp households.
- Amended the Social Security Act to permit the Department to require each applicant retailer/wholesaler to furnish the Social Security Number (SSN) of each individual who is an owner or officer.
 - Limited use of SSNs to determining whether applicants have been previously sanctioned or convicted under Sections 12 and 15 of the Act. (Civil money penalties/disqualifications and violations/enforcement provisions).
 - Required the Department to restrict access to SSNs to the satisfaction of the Secretary of DHHS and provide proper safeguards against unauthorized disclosure.
- Amended the Internal Revenue Code to permit the Department to require each applicant retailer/wholesaler to furnish the employer ID number (EIN) assigned to the store.
 - Restricted use of EINs as for SSNs.
 - Restricted access as for SSNs, except that the Secretary of the Treasury must be satisfied

with the restrictions.

- Required that explanations to applicants about filing rights, expedited service requirements, and provision of benefits from the date of application must be on or near the front cover (rather than on the front cover).
- Provided that one adult representative of the household may make all necessary certifications at application for the household.
- Required the use of standard estimates of shelter expenses, unless the household verifies higher expenses, for homeless households that do not have free shelter.
- Authorized the Department to preclude the use of estimates for homeless households with extremely low shelter costs.
- Required that State agencies designate rural areas and use mail issuance within those areas unless mail losses of the household or within the area exceed tolerances.
- Authorized the Secretary to assign nutrition education of eligible households to the Cooperative Extension Service.
- Required that GA and FSP applications be combined if there is a single Statewide application for the GA program.
- Required that FSP applications and information be provided to applicants for local GA programs that are administered by the same agency that administers the FSP.
- Extended the current requirement that individual Social Security applicants/recipients be informed about food stamp benefits and the availability of a simple food stamp application at Social Security offices to individual SSI applicants/recipients. (NOTE: This provision is in addition to the current requirement in the Act that SSI applicants and recipients who are or will be in pure SSI households must be assisted in completing FSP applications in Social Security offices and be certified based on information in Social Security files.)
- Required that GAO audit and report to Congress by December 31, 1991 on Social Security and SSI joint processing provisions.
- Permitted imposition of a civil money penalty of \$20,000 for each violation (not to exceed \$40,000 during a 2-year period) in lieu of disqualification for food stamp trafficking.
- Added evidence that ownership/management did not know of, approve, benefit from, or participate in violations to the criteria for establishing that firms have an effective policy and program in effect to prevent violations of the Act and regulations (criteria for imposing CMPs in lieu of disqualifications).
- Provided for permanent disqualification of firms found to have sold firearms, ammunition, explosives, or controlled substances for food stamps.
 - Permitted imposition of CMPs (as in two bullets above) in lieu of disqualification.
- Permitted imposition of fines, in amounts established by the Department, against firms that accept food stamps that are not accompanied by the corresponding book cover, other than the denomination used for making change.
- Permitted imposition of fines (in amounts established by the Department) against any person, not approved by the Secretary to accept and redeem food stamps, who violates any provision of the Act or regulations, including violations concerning the sale of eligible items for food stamps.
- Required that a household disqualified for intentional program violations (IPVs) must choose the repayment method on the date a notice demanding such a choice is received.
- Extended criminal penalties for food stamp abuse to computer access devices.
- Imposed a \$250,000 fine or 20 years imprisonment against individuals who knowingly use or possess food stamps or authorization cards in any unauthorized manner if such coupons or authorization cards are of a value of \$5,000 or more. Retained current penalties if value in \$100 or more but less than \$5,000.
- Increased fines for felony trafficking from \$10,000 to \$20,000.
- Reduced the percentage of recovered overissuances that may be retained by State agencies to 25% of fraud/IPV recoveries and 10% of unintentional household error recoveries for FYs 1991-95.
- Barred further collection of most QC sanctions for FYs 1983-85.
- Reduced enhanced ADP funding from 75 to 63% beginning FY 1992 for systems approved

subsequent to enactment.

- Provided \$75 million annually to be allocated among State agencies for E&T.
 - \$15 million is to be allocated in each FY 1992-95 based on State agency performance.
 - \$60 million is to be allocated for FY 1992 based on the formula used in FY 1991 with certain adjustments related to the proportion of work registrants.
 - For FYs 1993-95, \$60 million is to be allocated based on each State agency's proportion of work registrants.
- Guaranteed each State at least \$50,000 for E&T each FY.
- Extended SSI/elderly cash-out projects through FY 1995.
- Prohibited approval of demonstration projects subsequent to enactment unless:
 - benefits are increased to the extent necessary to compensate for State or local sales tax or the tax on food is waived for such households or the Secretary determines that increases are unnecessary because of the limited nature of items taxed, and
 - the State pays the cost of the increased allotments.
- Authorized the Secretary to conduct demonstration projects to test improved consistency or coordination between the food stamp E&T program and JOBS by waiving E&T requirements. Required evaluations of the demonstration projects and limited their operation to 4 years.
- Authorized four demonstration projects, in both urban and rural areas, in which pure AFDC households may be issued food stamp allotments following AFDC rules.
- Required the Secretary to submit a report to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry evaluating the results of a project within 6 months of terminating it.
- Subject to appropriations, mandated the Secretary to make grants, totaling as much as \$5 million in each of FYs 1992-95, to public or private nonprofit organizations to fund food stamp outreach demonstration projects and related evaluations to increase participation by eligible low-income households in the FSP.
- Authorized such sums as are necessary for each of FYs 1991-1995.
- Continued the requirement for "15th of the month" reports for the purpose of determining whether supplemental appropriations will be needed.
- Retained procedures for reducing allotments in the event appropriations will not be sufficient.
- Authorized the Department to use not more than \$2 million of FSP demonstration project funding in any fiscal year to make 2-year competitive grants to enhance interagency cooperation in nutrition education activities, and develop cost-effective ways to inform people eligible for the FSP about nutrition, resource management, and community nutrition education programs.
- Provided NAP block grant funding in the amounts of \$974 million for FY 1991, \$1,013 million for FY 1992, \$1,051 million for FY 1993, \$1,091 million for FY 1994, and \$1,133 million for FY 1995.
- Mandated a GAO study of the nutritional needs of Puerto Ricans. Required a report to be submitted to the appropriate House and Senate Committees by 8/1/92.
- Mandated a review of regulations and for the approval of ADP and information retrieval systems maintained by States to determine the extent to which the regulations and standards contribute to more effective and efficient systems. Required that:
 - the Department revise regulations to take into account the above review;
 - States incorporate all or part of systems in use elsewhere unless they can document that the design and operation of an alternate system would be less costly;
 - the Department establish standards to define the extent of modifications of the systems for which Federal payments shall be made;
 - proposed systems meet the Department's standards for timely implementation of proper changes;
 - criteria for the approval of a system for payments include the cost effectiveness of the proposed system;
- Required the Department to conduct reviews as are necessary to ensure that systems:
 - comply with conditions of initial funding approvals and

- adequately support program delivery.
- Required the Department, subsequent to the initial review in the first bullet, to establish standards for approval of systems.
- Required States to implement standards within a reasonable period of time established by the Department.
- Required the Department to conduct periodic reviews of systems to ensure compliance with the standards.
- Required the Department to report to Congress on the extent to which States have developed and are operating effective systems that support FSP delivery.
- Established a Welfare Simplification and Coordination Advisory Committee that will:
 - have 9-15 members appointed by the Secretary of Agriculture
 - identify policies in the FSP, cash and medical programs under the SSA, and housing programs that differ and, thus, make it difficult to administer such programs or to apply for and receive benefits from more than one of the programs
 - recommend common policies
 - report to Congress and the Secretaries of USDA, HHS, and HUD by April 1, 1992.
- Made most provisions effective the first of the month 120 days after publication of regulations but not later than February 1, 1992; some other provisions were effective the first day of the month 120 days after the publication of regulations but not later than August 1, 1991 or October 1, 1991 or April 1, 1992; others are effective upon enactment or retroactive to October 1, 1990.