



From Food Stamps to the Supplemental Nutrition Assistance Program

Legislative Timeline

1920's: Production surpluses aggravated unemployment and lack of consumer buying power.

1935: Food Surplus Commodities Corporation (FSCC), previously known as the Federal Surplus Relief Corporation, was formed to dispense commodities by focusing on encouraging domestic consumption of surpluses rather than on unemployment. Funding through Section 32 of P.L. 74-320 (Agricultural Adjustment Act) established for agricultural exports, domestic consumption of agricultural commodities, and reestablishment of farmers' purchasing power.

1939: Secretary of Agriculture cites problems with the commodity distribution program.

May 16, 1939: Experimental FSP began in Rochester, N.Y. Program expanded to 1,741 counties and 88 cities by August 1942. Four million people participating by May 1943. Participants spent an amount of money representing estimated normal food expenditures, for orange stamps and were given blue stamps, without cost, to buy designated surplus foods at retail establishments.

May 1941: Nutrition Council for Defense recommended extending FSP, justifying it as a "vital cog" in the National Defense Plan.

March 1943: Although half of the counties in the U.S. had a FSP, scandal, and rumors of fraud and abuse, together with lower participation than in the direct distribution program, pressure from organized producers who insisted that their products be on the surplus list even if they were not to participants' advantage, decentralized administration with four administrators interpreting policy differently. The fact that the program was never authorized by Congress led to the demise of the program. Scarcity of surplus commodities also played a part in termination of the program in the spring of 1943.

1943 - 1960: The eighteen years between the end of the first FSP and the inception of the next were filled with legislative proposals, studies, and reports.

- September 21, 1959: P.L. 86-341 authorized a discretionary two-year FSP to promote purchase of surplus commodities. Eisenhower administration chose not to implement this program.

1961: A series of events occurred that led to the reinstatement of the FSP.

- January 21: Kennedy issued an Executive Order initiating FSP pilot projects funded through Section 32 funds. Participants purchased coupons of a higher value than their cash contribution and used the coupons to purchase food at retail stores. Program purchases not limited to surplus commodities.
- February 2: Kennedy announced the initiation of pilot program in 8 project areas.
- May 29: Mr. and Mrs. Muncy of West Virginia bought the first food stamps since 1943.

January 31, 1963: Kennedy asks for legislation authorizing a permanent FSP.

January 31, 1964: Johnson renewed request for permanent FSP.

1964: Pilot programs operating in 40 counties and 3 cities with 380,000 participants. Part of Johnson's "War on Poverty".

P.L. 88-525, 78 Stat. 703-709

The Food Stamp Act of 1964

August 31, 1964

- Authorized a food stamp program to permit low income households to receive "a greater share of the Nation's food abundance".
- Authorized the Secretary to formulate and administer a FSP under which, at the request of an appropriate State agency, eligible households within the State shall be provided with an opportunity to more nearly obtain a nutritionally adequate diet through the issuance to them of a coupon allotment which shall have a greater monetary value than their normal expenditures for food.
- Coupons to be used only to purchase food from retail food stores which have been approved for participation in the FSP.
- Prohibited distribution of federally owned foods to households under the authority of any other law except during emergencies caused by a national or other disaster as determined by the Secretary.
- Secretary to issue regulations, inconsistent with the FSA, as he deems necessary or appropriate for the effective and efficient administration of the FSP.
- FSP participation limited to those households whose income is determined to be a substantial limiting factor in the attainment of a nutritionally adequate diet.
- Each State agency to establish standards to determine the eligibility of applicant households. Standards to include maximum income limitations consistent with the income standards used by the State agency in administration of its federally aided public assistance programs. Standards to also place a limitation on the resources to be allowed eligible households. Eligibility standards to be approved by the Secretary.
- Secretary prohibited from specifying prices at which food may be sold by wholesale food concerns or retail food stores.
- Face value of coupon allotment to be in such amount as will provide households with an opportunity to more nearly obtain a low-cost nutritionally adequate diet.

- Regulations to allow retail food stores and wholesale food concerns to submit applications for approval to be authorized to accept and redeem coupons under the FSP.
- Regulations to provide for the redemption of coupons accepted by retail food stores through approved wholesale food concerns or through banks, with the cooperation of the Treasury Department.
- State agency of each participating State to assume responsibility for the certification of applicant households and for the issuance of coupons. Records to be kept as necessary to ascertain whether the program is being conducted in compliance with the provisions of the FSA and regulations. Records to be available for inspection and audit and to be preserved for such a period, not in excess of three years, as may be specified in regulations.
- Discrimination against any household because of race, religious creed, national origin, or political beliefs prohibited in the certification of applicant households.
- Participating States or political subdivisions prohibited from decreasing welfare grants or other similar aid extended to any person or persons as a consequence of such person's or persons' participation in benefits made available under the FSA or regulations.
- State agencies desiring to participate in the FSP required to submit a plan of operation specifying the manner in which the program will be conducted within the State. Plan to include standards to be used in determining the eligibility of applicant households: Certification of applicant households are to be undertaken in accordance with the general procedures and personnel standards used in the certification of applicants under the federally aided public assistance programs; safeguards, which restrict the use or disclosure of information obtained from applicant households to persons directly connected with the administration or enforcement of the FSA or regulations; and for the submission of such reports and other information as may be required. Secretary to provide for an equitable and orderly expansion among the several States in accordance with their relative need and readiness to meet their requested effective dates of participation.
- Secretary to direct that there be no further issuance of coupons in the political subdivisions where there is a failure by the State agency to comply substantially with the provisions of the FSA, or with the State plan of operation, following a reasonable period of time for the correction of such failure, until such time as satisfactory corrective action has been taken.
- States are liable to the Federal Government for the cost of gross negligence or fraud in the certification of applicant households.
- Any approved retail food store or wholesale food concern may be disqualified from further participation on a finding that it has violated any of the provisions of the FSA or regulations. Disqualification period to be determined in accordance with regulations and subject to review.
- Secretary has the power to determine the amount of and settle and adjust any claim and to compromise or deny all or part of any such claim or claims arising under the provisions of the FSA or regulations.
- Notice of administrative action to establish the right of retail store or wholesale food concern to appeal adverse action through administrative judicial channels.
- Secretary may provide for the issuance or presentment for redemption of coupons to such person or persons, and at such times and in such manner, as he deems necessary.
- \$10,000 fine or five year imprisonment for anyone who knowingly uses, transfers, acquires, or possesses coupons in any manner not authorized by the FSP or regulations, or

whoever presents, or causes to be presented, coupons for payment or redemption of the value of \$100 or more, knowing the same to have been received, transferred, or used in any manner in violation of the provisions of the FSA or regulations if such coupons are of the value of \$100 or more. A \$5,000 fine or one year imprisonment if such coupons are of the value of less than \$100.

- Coupons issued pursuant to the FSA to be deemed obligations of the U.S.
- Each State is responsible for financing the costs of carrying out the administrative responsibilities assigned to it under the FSA including, but not limited to, the certification of households; the acceptance, storage, and protection of coupons after their delivery to receiving points within the States; and the issuance of such coupons to eligible households and the control and accounting.
- Secretary authorized to cooperate with State agencies in the certification of households which are not receiving any type of public assistance. Cooperation to include payments to State agencies for part of the cost they incur in the certification of households. The amount of such payment to be 50% of the sum of: (1) the direct salary costs (including the cost of such fringe benefits as are normally paid to its personnel by the State agency) of the personnel necessary to certify the eligibility of such households, and of the immediate supervisor of such personnel, for such periods of time as they are employed in certifying the eligibility of households; (2) travel and related costs incurred by personnel in post interview field investigations of households; and (3) an amount not to exceed 25% of the costs computed under (1) and (2) above.

P.L. 89-642, 80 Stat. 885-880
Child Nutrition Act of 1966
October 11, 1966

- Excluded the value of assistance to children under this act from income and resources for food stamp purposes.

1969: Increased appropriations for all food programs. FSP expanded.

May 27, 1969: Food and Nutrition Service formed to coordinate child and adult food programs.

P.L. 91-671, 84 Stat. 2048-2052
Amendments to the 1964 Act
January 11, 1971

- Added legally adopted children and legally assigned foster children and non-related individuals over age 60 to group of related individuals under the household definition.
- Allowed an elderly person receiving "meals-on-wheels" to be considered a household for FSP purposes.
- Amended disaster provision of 1964 Act to prohibit distribution of federally donated foods

to households under the authority of any other law except: (1) during temporary emergency situations when the Secretary determines that commercial channels of food distribution have been disrupted; (2) for such period of time as the Secretary determines necessary, to effect an orderly transition in an area in which the distribution of federally donated foods to households is being replaced by a FSP; or (3) on request of the State agency. Households may not simultaneously participate in the FSP and receive federally donated foods.

- Permitted the FSP participation of households that are victims of a disaster.
- Provided that the Secretary, in consultation with the Secretary of HEW, establish uniform national standards of eligibility for participation by households in the FSP. Standards to prescribe the amounts of household income and other financial resources, including both liquid and non-liquid assets, to be used as criteria for eligibility.
- Provided that any household which includes a member who has reached his eighteenth birthday and who is claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household, shall be ineligible to participate in any FSP during the tax period such dependency is claimed and for one year after expiration of such tax period.
- Provided that the Secretary may establish temporary emergency standards of eligibility for households that are victims of a disaster which disrupted commercial channels of food distribution when he determines that such households are in need of temporary food assistance and that commercial channels of food distribution have again become available.
- Provided that the Secretary establish special standards of eligibility and coupon allotment schedules which reflect the average per capita income and cost of obtaining a nutritionally adequate diet in Puerto Rico, Guam, and the Virgin Islands. These standards of eligibility were not to exceed those in the fifty States.
- Prohibited participation by households which included an able-bodied adult person between the ages of 18 and 65 (except mothers or other members of the household who have the responsibility of care of dependent children or of incapacitated adults, bona fide students in any accredited school or training program, or persons employed and working at least 30 hours per week) who either (a) fails to register for employment at a State or Federal employment office, or (b) has refused to accept employment or public work at not less than (i) the applicable State minimum wage, (ii) the applicable Federal minimum wage, (iii) the applicable wage established by a valid regulation of the Federal Government authorized by existing law to establish such regulations, or (iv) \$1.30 per hour if there is no applicable wage as described in (i), (ii), or (iii) above. Refusal to work at a plant or site subject to a strike or a lockout is not to be deemed as refusal to accept employment.
- Face value of coupon allotment issued to certified households to be in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted annually to reflect changes in the prices of food published by the Bureau of Labor Statistics in the DOL.
- Provided that charge for coupon allotment shall be no more than 30% of the household's income.
- Provided that coupon allotments may be issued without charge to households with income of less than \$30 per month for a family of four.
- Added requirement that State agencies undertake effective action, including the use of services provided by other federally funded agencies and organizations, to inform low-

income households concerning the availability and benefits of the FSP and insure participation of eligible households.

- Provided for the granting of a fair hearing and a prompt determination thereafter to any household aggrieved by the action of a State agency.
- Entitled any household participating in the FSP, if it elected to do so, to have the charges, if any, for its coupon allotment deducted from any grant or payment such household was entitled to receive under any federally aided PA program and have its coupon allotment distributed to it with such grant or payment.
- Allowed members of an eligible household who are sixty years of age or over and his/her spouse to use coupons to purchase meals prepared for and delivered to them by a public or by a private nonprofit organization which: (1) is not foods from the U.S. Dept. of Agriculture for use in the preparation of such meals; (2) is operated in a manner consistent with the purposes of the FSP; and (3) is recognized as a tax exempt organization by the IRS. Household members or elderly persons to whom meals are delivered must be unable to adequately prepare all of their meals.
- Added altering of coupons or authorization to purchase cards to list of offenses punishable under the FSA. Added unauthorized transfer, acquisition, alteration or possession of authorization to purchase cards as punishable offenses under the FSP (1964 act had only provided punishment for offenses involving coupons).
- Authorized the Secretary to pay to each State agency an amount equal to 62 1/2% of the sum of (1) the direct salary, travel, and travel-related cost of personnel for such time as they are employed in outreach activities and in making certification determinations for NA households; (2) the direct salary, travel, and travel-related costs of fair hearing officials.
- Authorized \$1.75 billion for FY 1971, and "such sums as Congress may appropriate" for FYs 1972 and 1973.

P.L. 92-603, 86 Stat. 1329-1493
Social Security Amendments of 1972
October 30, 1972

- Prohibited any person who is eligible (or upon application would be eligible) to receive SSI benefits under title XVI of such Act to be considered a member of a household or an elderly person for purposes of the FSA.
- Mandated that State agencies undertake the certification of applicant households in accordance with the general procedures and personnel standards "prescribed by the Secretary in the regulations issued pursuant to this act."

P.L. 93-86, 87 Stat. 221-250
Agriculture and Consumer Protection Act of 1973
August 10, 1973

- Amended definition of "household" to include any narcotics addict or alcoholic who lives

under the supervision of a private nonprofit organization or institution for the purpose of regular participation in a drug or alcoholic treatment and rehabilitation program.

- Prohibited any individual who received SSI benefits under title XVI of the SSA to be considered a member of a household or an elderly person for any purpose of the FSA for any month if such person received for such month, as part of his SSI benefits or payments, an amount equal to the bonus value of food stamps in addition to the amount of assistance such individual would be entitled to receive. Secretary of HEW to issue regulations to implement this provision after consulting with the Secretary of USDA.
- Added definition of "drug addiction or alcoholic treatment and rehabilitation program" to mean any drug addiction or alcoholic treatment and rehabilitation program conducted by a private nonprofit organization or institution which is certified by the State agency or agencies as responsible for the administration of the State's programs for alcoholics and drug addicts.
- Provided for the issuance of coupon allotments no less often than two times per month.
- Any household participating in the program entitled to have the charges, if any, for its coupon allotment deducted from its AFDC and have its coupon allotment distributed to it with such grant. (Previous law [91-671] allowed allotment charges to be deducted from any grant or payment such household may be entitled to receive under any federally aided public assistance program. This authority was revoked under P.L. 92-603).
- Required States to submit, prior to January 1, 1974, plans of operation specifying the manner in which such State agency intended to conduct the FSP in every political subdivision in the State, unless the State could demonstrate it was impractical to extend the program to particular subdivisions. The Secretary is to approve or disapprove plans in sufficient time to permit institution of plans no later than June 30, 1974.
- Household members sixty years of age or over and their spouses allowed to use coupons to purchase meals prepared by senior citizens' centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals for elderly persons, public or nonprofit private eating establishments which prepares meals for elderly persons, and any other public or nonprofit establishment approved for such purpose by the Secretary.
- Amended definition of "food" to mean any food or food product for home consumption except alcoholic beverages and tobacco and shall include seeds and plants for use in gardens to produce food for the personal consumption of the eligible household.
- Provided for the semiannual adjustment by the nearest dollar increment that is a multiple of two to reflect changes in the prices of food published by the Bureau of Labor Statistics in the Department of Labor to be implemented commencing with the allotments of January 1, 1974, incorporating the changes in the prices of food through August 31, 1973, but in no event shall such adjustments be made for value of the coupon allotment for such households, as calculated above, is a minimum of \$2.
- Allowed members of eligible households living in the State of Alaska to purchase hunting and fishing equipment for procuring food for the household except firearms, ammunition, and other explosives, with coupons.
- Amended definition of "retail food store" to include senior citizens' centers, apartment buildings, public, or private school which prepares meals for elderly persons, any public or nonprofit private eating establishment which prepares meals for elderly persons, and any

other establishment approved for such purpose by the Secretary.

- Permitted residents of federally subsidized housing for the elderly, built under either section 202 of the Housing Act of 1959, or section 236 of the National Housing Act to be considered households and not residents of an institution or boarding house for purposes of eligibility for food stamps.

P.L. 93-113, 87 Stat. 394-417
Domestic Volunteer Services Act of 1973
October 1, 1973

- Payments under Title I of this act, including payments from such Title I programs as VISTA, University Year for Action, and Urban Crime Prevention Program, to volunteers shall be excluded for those individuals receiving food stamps or PA at the time they joined the Title I program. Households which were receiving an income exclusion for a VISTA or other Title I Subsistence allowance at the time of conversion to the FSA of 1977 shall continue to receive an income exclusion for VISTA for the length of their volunteer contract in effect at the time of conversion. New applicants who were not receiving PA or food stamps at the time they joined VISTA shall have these volunteer payments included as earned income.
- Payments to volunteers under Title II, including the Retired Senior Volunteer Program (RSVP), Foster Grandparents Program, and Senior Companion Program, are excluded from income.

P.L. 93-233, 87 Stat. 947-974
Cost-of-Living Increases in Social Security Benefits
December 31, 1973

- Effective only for the six month period beginning January 1, 1974 and ending July 1, 1974, recipients of SSI benefits under title XVI of the SSA were eligible for FSP benefits. However, individuals who received State supplementary payments under section 1616 of the SSA, or section 212(a) of P.L. 93-66 payments could not be considered to be a member of a household or an elderly person for purposes of the FSA for any month during this period, if, for such month, individual resided in a State which provided section 1616(a) State supplementary payments, level of which was found by the Secretary of HEW to have been increased so as to include the bonus value of food stamps (cash-out States).

P.L. 93-288, 88 Stat. 143-164
Disaster Relief Act Amendments of 1974
May 22, 1974

- Authorized the President, whenever he determines that, as a result of a major disaster, low-

income households are unable to purchase adequate amounts of nutritious food, to distribute through the Secretary of Agriculture or other appropriate agencies, coupon allotments to such households pursuant to the provisions of the FSA of 1964 (P.L. 91-671) and to make surplus commodities available. The President may continue to make such coupon allotments and surplus commodities available to such households for as long as he determines necessary.

P.L. 93-347, 88 Stat. 340-341
Domestic Food Assistance Program
July 12, 1974

- Authorized the Secretary to pay to each State agency an amount equal to 50% of all administrative costs, including, but not limited to, the cost of (1) the certification of households; (2) the acceptance, storage, and protection of coupons after their delivery to receiving points within the States; (3) the issuance of coupons; (4) outreach and fair hearing requirements; and (5) the control and accounting of coupons. Each State is required to report to the Secretary on the effectiveness of its administration of the FSP.

P.L. 94-339, 90 Stat. 799-801
Emergency Food Stamp Vendor Accountability Act of 1976
July 5, 1976

- Required that coupon vendors promptly deposit charges made for coupon allotments in the manner prescribed by the Secretary.
- Coupon vendors receiving charges made for coupon allotments to be deemed to be receiving such funds as fiduciaries of the Federal Government, and such coupon vendors shall immediately set aside all such funds as funds of the Federal Government. Any coupon vendor, or any officer, employee, or agent thereof, convicted of violating these requirements is to be fined not more than \$10,000, or a sum equal to the amount of funds involved in the violation, imprisoned not more than ten years, or both.
- Coupon vendors to immediately send a written notice to the State agency, accompanied by an appropriate voucher, confirming any deposit of funds derived from charges made for coupon allotments.
- Each coupon vendor to send to the Secretary, or his designee, a monthly report of the vendor's operations. Failing to provide this report can lead to a fine of not more than \$3,000, or imprisonment not more than one year, or both.
 Secretary to develop an appropriate procedure for determining and monitoring the level of coupon inventories in the hands of vendors to insure that inventories are at proper levels.

P.L. 95-113, 91 Stat. 913-1045
Food and Agriculture Act of 1977
September 29, 1977

- Eliminated the purchase requirement.
- Benefits continued to be based on the Thrifty Food Plan (TFP). Households received only the bonus allotment of coupons instead of the total allotment. Bonus determined by taking 30% of the household's net income after deductions and subtracting that amount from the TFP allotment for that household size. Separate TFPs for the contiguous U.S., Alaska, Hawaii, Guam, Puerto Rico and the Virgin Islands. TFPs for all areas to be adjusted twice a year, to the nearest dollar increase, to reflect changes in the cost of food. USDA not to raise or lower benefits by switching from TFP to a different food plan.
- Stressed targeting benefits to the neediest, simplifying administration, and tightening controls on the program. Focused on increasing access to those most in need and simplifying and streamlining a complicated and cumbersome process that delayed benefit delivery as well as reducing errors, and curbing abuse.
- Established ten excludable income categories.
- Reduced the number of deductions used to calculate net income and established a standard deduction to take the place of eliminated deductions.
- Household income for the past 30 days to be used as a guide in determining the household's eligibility and benefits, unless the household has experienced or expects a change in income.
- Resources:
 - Resource limit to be raised to \$1,750 per household, including households made up of only one person. Resource limit to remain at \$3,000 for households of two or more people when at least one person is over 60 years old; and established the fair market value (FMV) test for evaluating vehicles as resources.
- Any person who is otherwise eligible for the FSP, who is physically and mentally fit, and who is between the ages of 18 and 60 (previously 18 to 65) must:
 - Register for employment in a manner determined by USDA;
 - Fulfill whatever reasonable job search requirements are prescribe by USDA;
 - Not quit any job without good cause; and
 - Not refuse (without good cause) to accept a job paying either the State or Federal minimum wage, whichever is higher.
- Persons exempt from work registration requirements are as follows:
 - Currently subject to and complying with work registration requirements under the WIN or the Federal-State unemployment compensation system;
 - Parents or other members of households responsible for the care of dependent children under 12 or of incapacitated persons;
 - Parents or other caretakers of children in households where there are other able-bodied parents who are subject to employment requirements;
 - Bona fide students enrolled at least half-time in any recognized school, training program, or institution of higher education. These students are subject to employment requirements when on any vacation or recess of more than 30 days.

- Regular participants in drug addiction or alcoholic treatment and rehabilitation programs; or
 - Persons employed a minimum of thirty hours per week or receiving weekly earnings that equal the minimum wage multiplied by 30 hours.
- USDA to implement two work fare pilot projects in each of the seven geographic Regions of the FNS.
- Student continued to be defined as a person who has reached his/her eighteenth birthday and is enrolled at least half-time in an institution of higher education. Student continued to be disqualified if eligible as a tax dependent by a household which is not eligible for stamps. All students eighteen years of age or older, including those still in high school, must register for work whenever school recesses for more than 30 days. College students must fulfill one of the five following special work requirements: 1) work at least 20 hours a week or participate in a Federally financed work study program; 2) work and receive the minimum wage equivalent of 20 hours a week (\$46 a week then -- \$53 a week effective January 1, 1978); 3) register for work on a 20-hour-per-week minimum basis; 4) be the head of a household containing at least one other person who depends on the student for more than one-half of his or her annual support; or 5) be exempt from the work registration requirement for an allowable reason such as fitness, age, WIN participation, parental status, or caretaker status.
- To qualify for food stamps each individual must be a resident of the U.S. and be one of the following:
 - A citizen of the U.S., Puerto Rico, the Virgin Islands, or Guam or a national from American Samoa or Swain's Island;
 - An alien lawfully admitted for permanent residence as an immigrant not to include alien visitors, tourists, diplomats, alien students or temporary workers;
 - A permanent resident under color of law who has maintained continuous residence in the U.S. since before July 1948;
 - An alien who has qualified for conditional entry because of persecution or fear of persecution because of race, religion, or political opinion, or because of being uprooted by a catastrophic natural calamity;
 - An alien who is lawfully present for emergent reasons or for reasons accepted as being strictly in the public interest; or
 - An alien for whom the Attorney General has withheld deportation Required that there be food stamp eligibility workers who are bilingual in areas with high percentages of non-English speaking low-income persons, and that food stamp literature be printed in the appropriate languages to assist non-English speaking people in making application for benefits. Eligibility workers not required to report illegal aliens to the INS.
- SSI recipients:
 - Continue to be exempted from the work registration requirement (exemption age lowered from 65 to 60 years);
 - Be able to apply for food stamps at the Social Security Office at the same time that application is made for SSI;
 - Remain ineligible for food stamps in the two food stamp "cash-out" States -- California and Massachusetts (SSI recipients in these two States received a larger

- SSI benefit instead of food stamps); and
 - Elderly persons (60 years of age or older) and their spouses continue to be able to use stamps to pay for meals served by private establishments (including restaurants) which contract to offer meals for elderly persons at concessional prices.
- All elderly and disabled persons, regardless of age, able to use stamps to purchase meals from authorized home meal delivery services.
- An experimental project is authorized to see whether it would be desirable to provide cash instead of food stamps to eligible households consisting entirely of members who are entitled to SSI or are age 65 or older.
- USDA to prescribe standards under which States are required to use the mails, telephone interviews, and/or home visits to certify those persons who because of age, disability, or transportation problems are unable to reach a certification office or to apply through an authorized representative.
- Application forms to be given to interested persons on the same day requested and, if the applicant wishes to submit the application form that day, it must be accepted by the State agency.
- Benefits retroactive to the period of application.
- Households in immediate need because of no income after deductions must be certified and issued stamps very quickly (the time period for such certifications to be set by USDA).
- Certification periods assigned as follows:
 - PA households assigned certification periods that coincide with the period of their PA grant or a maximum of one year;
 - Households consisting entirely of unemployable, elderly, or self-employed persons may be assigned 12-month certification periods;
 - All other households will be assigned certification periods of not less than three months, unless there is a likelihood of frequent changes in household circumstances, in which case shorter certification periods may be assigned.
- Households will be notified at the beginning of the last month of their certification period that they must reapply for continued food stamp benefits.
- Eligible households that reapply by the 15th day of the last month in the certification period are to receive their next month's stamps without an interruption in benefits.
- For households wrongfully denied food stamps or terminated from the FSP, lost benefits to be restored by increasing the amount of their food stamps each month. The stamps to be issued over a specified period set by USDA rather than in one lump-sum.
- USDA to set caseload (staffing) standards.
- Eligibility workers to be hired in accordance with standards prescribed by the U.S. Civil Service Commission.
- State agencies to be responsible for a continuing comprehensive training program for certification staff.
- Bilingual eligibility workers to be hired in localities where significant percentages of the population speak a language other than English.
- A simplified, uniform national food stamp application to be designed by USDA
- USDA and HEW to jointly develop a system with a single interview for food stamps and AFDC.

- Food stamp applications to be provided and accepted at Social Security Offices from SSI applicants.
- Individuals found by an administrative hearing to have defrauded the program to be disqualified from the program for a period of three months; if such individuals are found by a court to have criminally or civilly defrauded the program, the disqualification to be extended for not less than six or more than 24 additional months.
- Penalty for a misdemeanor related to the program to be reduced from \$5,000 to \$1,000 to make prosecution of fraud easier and timelier; however, the penalty of imprisonment for up to one year remained, as did the felony penalties of up to \$10,000 fine and/or imprisonment for up to five years.
- Households transferring assets in order to qualify for food stamp benefits to be disqualified for food stamps for a period of up to one year from the date of discovery of the transfer.
- State agencies to be paid 75% of the costs of State food stamp investigations and prosecutions.
- State agencies which reduced their error rates to below 5% had an additional 10% of their administrative costs paid by the Federal Government and were not required to submit corrective action plans relating to error rates.
- States failing to meet program standards without good cause penalized by having Federal funds for administrative costs withheld in an amount that USDA determined appropriate. States entitled to an administrative review.
- States which do not comply with program requirements may be referred to the Attorney General who may issue the appropriate injunctive relief.
- States which have been determined to have committed negligence or fraud in the certification of applicant households may be required to pay for coupons improperly issued. USDA no longer had to establish that gross negligence occurred before billing a State.
- Coupon issuers convicted of failing to report inventory levels or operations as required to be fined up to \$1,000 and/or imprisoned for up to one year.
- Coupon issuers convicted of knowingly providing false information in a report to be fined up to \$10,000 and/or imprisoned for up to five years.
- When a household makes a purchase with food stamps and is due change, cash change up to 99 cents to be given to the household instead of credit slips as formerly.
- Hot foods or hot food products ready for immediate consumption not eligible for purchase with food stamps, except through nonprofit meal delivery services, communal dining facilities, and institutions that serve meals to drug addicts and alcoholics.
- Food stamp recipients who live in remote areas of Alaska no longer able to use food stamps to buy clothing or equipment for transportation or shelter. Still able to use food stamps to buy hunting and fishing equipment.
- Only those stores at least half of whose food sales are staple foods -- such as meat, poultry, fish, bread, cereals, vegetables, fruits, dairy products and the like, but not including accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices -- to be authorized to accept food stamps. Stores selling hunting and fishing equipment to residents of remote areas of Alaska may also be authorized.
- Authorized nonprofit food-buying organizations to be able to accept payment for food orders prior to delivering the food orders.

- USDA to authorize only those wholesalers needed for the effective and efficient operation of the FSP. No firm to be authorized as both a retailer and a wholesaler at the same time.
- Organizations authorized to accept food stamps to serve meals to drug addicts and alcoholics not allowed to redeem food stamps through banks.
- USDA may, in lieu of a period of disqualification, levy a fine of up to \$5,000 for each violation against a firm that has violated the regulations if USDA determines that disqualifying the firm would cause a hardship to food stamp households.
- State government agencies responsible for conducting food programs on the Indian reservations. These agencies must consult with tribal organizations. However, if it is demonstrated that the agencies cannot run the reservations' FSP properly, USDA may determine whether a tribal organization is capable of administering that program.
- Provided for the operation of the Food Distribution Program and the FSP by tribal organizations. If a reservation has a FSP and a Food Distribution Program, safeguards are to be implemented to prevent simultaneous participation.
- State agencies obligated to inform low-income households about the availability, eligibility requirements, and benefits of the FSP States must use appropriate bilingual personnel and printed material where there are a substantial number of low-income persons who speak a language other than English.
- States must prominently display in all food stamp and PA offices posters supplied by USDA which list:
 - Foods that contain substantial amounts of recommended daily allowances of vitamins, minerals, and protein for children and adults;
 - Menus that combine such foods into meals;
 - Details on eligibility for other programs administered by USDA that provide nutrition benefits; and
 - General information on the relationship between health and diet.
- Pamphlets with nutritional information for home use to be developed or obtained by USDA and made available in food stamp and PA offices.
- USDA to extend the Expanded Food and Nutrition Education Program (EFNEP) to the greatest extent possible to reach FSP participants.
- USDA to develop printed materials specifically designed for persons with low reading comprehension levels on how to buy and prepare more nutritious and economic meals and on the relationship between food and good health.
- Allowed the income and resources of victims of a disaster to be considered for program purposes (these were previously disregarded).
- State agencies required to develop a plan for providing food stamps to disaster victims.
- USDA to establish a Food Stamp Disaster Task Force to assist States in conducting the disaster program.
- USDA authorized to undertake research that will help improve the administration and effectiveness of the FSP in delivering nutrition-related benefits. These projects to be supported by contracts with or grants to public or private organizations or agencies.
- USDA authorized to conduct pilot projects to test changes in the FSP. Several possible projects specifically authorized by law as follows:
 - The payment of benefits in the form of cash rather than food stamps to eligible households whose members are either 1) all over age 65 or 2) all entitled to SSI

- benefits;
- The use of countersigned food coupons or similar identification mechanisms that do not invade a household's privacy;
- The use of food checks or other voucher-type forms in place of food coupons; and
- The performance of work in exchange for food stamp benefits (the law requires USDA to conduct this pilot project).

P.L. 95-400, 92 Stat. 856

Workfare Provisions of the Food Stamp Act of 1977

September 30, 1978

- Extended deadline for submitting a final report to Congress on the workfare demonstration project mandated by the Food Stamp Act of 1977 from 18 months to October 1, 1980.
- Provided for the submission of an interim report on this project by October 1, 1979.

P.L. 96-58, 93 Stat. 389-392

Food Stamp Act Amendments of 1979

August 14, 1979

- Mandated that the Secretary submit a report to the Committee on Agriculture of the House and the Committee on Agriculture, Nutrition, and Forestry of the Senate setting forth best estimates of expenditures. Each report must state whether allotment reductions will be necessary.
- Households containing a member who is sixty years of age or over or who is disabled entitled to a) an excess medical expense deduction for that portion of the actual cost of allowable medical expenses, incurred by such members, exclusive of special diets, that exceed \$35 a month; b) a dependent care deduction, the maximum allowable level of which shall be the same as that for the excess shelter expense deduction for the actual cost of payments necessary for the care of a dependent when such care enables a household member to accept or continue employment, or training or education that is preparatory for employment; and c) an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50% of monthly household income after all other applicable deductions have been allowed.
- Allowable medical expenses defined as expenditures for 1) medical and dental care, 2) hospitalization or nursing care, 3) prescription drugs when prescribed by a licensed practitioner authorized under State law and over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional, 4) health and hospitalization insurance policies (excluding the costs of health and accident or income maintenance policies), 5) Medicare premiums related to coverage under title XVIII of the SSA, 6) dentures, hearing aids, and prosthetics (including the costs of securing and maintaining a seeing eye dog), 7) eye glasses prescribed by a physician or by optometrist,

- 8) reasonable costs of transportation necessary to secure medical treatment or services, and
- 9) maintaining an attendant, homemaker, home health aide, housekeeper, or child care services due to age, infirmity, or illness.
- Secretary and State agencies authorized to 1) require, as a condition of eligibility, that each household member furnish their social security account number(s), and 2) use such numbers in the administration of the FSP.
- Mandated that individuals disqualified for fraudulent use of coupons or authorization cards shall not be eligible to participate after such disqualification unless he/she agrees to a) a reduction in the allotment of the household of which such individual is a member or b) to repayment in cash, in accordance with a reasonable schedule as determined by the Secretary. Permitted States to retain 50% of the value of all funds or allotments recovered or collected through prosecutions or other State activities directed against individuals who fraudulently obtain allotments. Officials responsible for making determinations of fraud not to receive or benefit from revenues retained by the State under this provision.
- Permitted disabled or blind recipients of benefits under title II or title XVI of the SSA who are residents in a public or private nonprofit group living arrangement that serves no more than sixteen residents and is certified by the appropriate State agency or agencies to use their coupons to purchase meals prepared and served under such an arrangement.
- No household containing a person involved in a labor management dispute eligible to participate in the FSP unless the household meets the income guidelines, asset requirements, and work registration requirements of this Act.

P.L. 96-249, 94 Stat. 357-370
Amendments to the Food Stamp Act
May 26, 1980

- Allowed women and their children who are temporarily living in houses or shelters for battered women to use food stamps.
- Excluded energy assistance payments from consideration as income.
- Consumer Price Index to be used in all FSP calculations.
- Allowed a separate dependent care deduction at a maximum of \$90 per household per month. This deduction will not be indexed. To be implemented January 1, 1982.
- Threshold for deducting medical costs lowered from \$35 to \$25 a month. Medical expenses incurred by the spouse of an elderly, blind, or disabled household member allowed to be included in the deduction, even if he/she were not elderly, blind, or disabled. To be implemented January 1, 1982.
- Medical deduction for the blind and disabled to cover persons in Puerto Rico, Guam, and the Virgin Islands who are covered by titles II, X and XIV of the SSA, but not SSI, which does not apply to those areas.
- Provided States the option of applying retrospective accounting procedures. If State chooses this option, it would require periodic reporting.
- Excluded a vehicle which is used for a physically disabled person from consideration as a resource.

- Provided States the option to conduct administrative fraud hearings or seek civil/criminal action.
- Certification periods for households required to submit periodic reports 6-12 months.
- Secretary allowed to modify income exclusion for infrequent or irregular income.
- Secretary allowed to modify timeliness standard for notice of expiration and recertification application.
- Households with strikers as members are only eligible if they meet program requirements.
- The income, less a pro-rata share, and resources of ineligible individuals must be considered in determining a household's eligibility and allotment.
- States permitted to expand their use of third-party information or documentation to verify household size and any other factor shown to be subject to substantial error in connection with error-prone household profiles developed from quality control statistics.
- Required all certified eligible households (other than those certified at home or by mail) to have photo ID's in project areas in which the Secretary, after consultation with the Inspector General, finds that mandating such a procedure in the project area in question would help protect the program's integrity. The ID to be used in conjunction with the ATP in obtaining coupons.
- Required certification workers to report an ineligible alien to INS if the worker determines the alien is in the country illegally.
- States agencies provided the option of establishing and operating ADP and information retrieval systems that meet the Secretary's standards.
- Required the Secretary to conduct an investigation of a State on evidence of a pattern of non-compliance and if such non-compliance was found and the State did not take corrective action, the Secretary could withhold administrative funds.
- Provided for a special financial audit review by OIG of high participation States where 60% of population receives stamps.
- Provided for the forfeiture of nonfood items or funds obtained in illegal transactions.
- As of October 1, 1980, incentives provided for States to reduce errors. Incentives increased Federal cost sharing to 65% for States with error rates of under 5% and reasonable rates of invalid denials; allowed 60% Federal cost sharing for States with error rates of more than 5% but less than 8%; and 55% Federal cost sharing for States that reduce error rates by 25% or more. No State to receive more than one incentive.
- Provided for an error rate sanction system which imposed a penalty upon those States that failed to meet certain specified performance standards in controlling their error rates. States liable for all erroneous allotments over their prescribed limit out of the Federal administrative cost-sharing.
- Allowed Department and State agency employees (upon written request) to obtain SSA wage, net earnings from self-employment, and benefit records (including information from IRS returns previously turned over to the SSA) as well as unemployment compensation wage and benefit information and information relating to refusal of an offer of employment. Request subject to HEW safeguards designed to insure that the information will be used only to determine a household's eligibility.
- SSI cash-out pilot project continued through October 1, 1981 even if welfare reform legislation (which cashes out SSI recipients) is passed, if the State requests a continuation.
- Workfare job search time period changed from 30 days to 10 days in at least one workfare

- pilot project area.
- Workfare pilot project extended to September 30, 1981.
 - Required a report to Congress by CBO, of the CPI and other indices to determine their validity for current and future projections.
 - Denied use of federal funds by groups using such funds to impede implementation of the FSA.
 - Provided for the annual rather than semi-annual adjustment of the TFP. Annual adjustment to be done on a January to January basis. Allotment adjustment canceled July 1, 1980.
 - Provided for the annual rather than semi-annual adjustment of the standard deduction, every January 1. Canceled the annual excess shelter deduction adjustment for July 1, 1980 and adjusted this every January 1 thereafter.
 - Poverty line no longer updated current CPI data.
 - Asset limit (except for households of two or more that contain an elderly person) dropped from \$1,750 to \$1,500.
 - Eliminated all post-secondary school students from the program excepting: 1) those who are under 18, over 60 or disabled; 2) are working at least half-time; 3) have dependents; or 4) are participating in the WIN program.

P.L. 97-35, 95 Stat. 357-933
Omnibus Budget Reconciliation Act of 1981
August 13, 1981

- Gross income eligibility standard set at 130% of poverty line.
- Standard and dependent care/excess shelter deduction frozen at January 1981 level until July 1, 1983.
- Earned income deduction for working households lowered from 20% to 18%.
- Adjusted TFP in 4/82, 7/83, and 10/84 based on changes in the CPI. For October 1985, and thereafter, the adjustment is to be based on a 12-month cost change.
- Boarders prohibited from applying as a separate household.
- Required parents under 60 and children who live together to be considered as one household.
- Pro-rated allotment for initial month of participation if household does not participate for a full month.
- Provided for disqualification of the household member for 6 months for the first offense, 1 year for the second, and permanently for the third.
- Prohibited any increase in benefits to a household with a disqualified member, if the increase is a result of the disqualification.
- Permitted States to collect overissued benefits in non-fraud cases by recouping allotments
- Required States to implement periodic reporting and retrospective accounting by October 1983. If use of retrospective accounting causes hardship on newly applying households, a supplemental allotment may be used. Migrant and elderly/disabled households exempted.
- Provided that effective July 1, 1982, Puerto Rico to receive a block grant not to exceed \$825 million yearly to finance 100% of the food assistance expenditures for needy persons

- and 50% of the related administrative costs.
- SSI cash-out States to remain as such.

P.L. 97-98, 95 Stat. 1213-1358
Food Stamp and Commodity Distribution Amendments of 1981
December 22, 1981

- Allowed recipients of SSI benefits under title XVI of the SSA to be separate households for FSP purposes.
- Prohibited any portion of benefits provided under title IV-A of the SSA to be considered a reimbursement.
- Scheduled next TFP adjustment for October 1, 1982 based on changes in costs over the 21 month period ending June 30, 1982. Future adjustments to be made annually in October.
- A portion of the income and assets of the sponsors of aliens are to be considered as income and assets available to the alien applicant for a period of 3 years after the individual's entry into the U.S. when determining eligibility of aliens.
- Provided that retail food stores must display a sign on how persons may report abuses, they have observed in the operation of the FSP.
- Allowed all information obtained under this Act from an applicant household to be made available, upon request, to local, State or Federal law enforcement officials for the purpose of investigating an alleged violation of this Act or any regulation issued under this Act.
- States required to match computer wage data for determining whether income is accurately reported by food stamp applicants.
- Required households to request restoration of any allotment which has been wrongfully denied or terminated.
- State agencies to request and utilize information available from SSA under the provisions of the Internal Revenue Code of 1954, and information available from agencies administering State unemployment compensation.
- State agency to include, in any agreement or contract with a coupon issuer, a provision that the issuer shall 1) require photo ID at the time the ATP is presented, 2) record the ID number on the ATP; and b) if the State agency determines that the ATP has been stolen or otherwise was not received by a household, the issuer to be liable to the State agency for the value of any coupons issued if the issuer fails to comply with the requirement of a) above.
- Secretary to extend food and nutrition education to reach FSP participants.
- Secretary to provide for the use of fee agents in rural Alaska.
- Issuing agents to be held liable for issuance to unqualified persons.
- State agencies held liable for any financial losses occurring in the handling and issuing of food stamps, including losses involving failure of coupon issuers to comply with prescribed requirements. Degree of State liability in the case of losses of food stamps or ATPs resulting from mail issuance to be prescribed by the Secretary.
- Workfare authorized nationally at the option of the States and political subdivisions.
- All household members required to obtain Social Security numbers as a condition of

- eligibility.
- Allowed information in case files to be disclosed to law enforcement officials based upon alleged violations of the program rules and regulations.
 - Required that food stamp applications include a warning notice informing applicants that their statements will be verified and that failure to report information correctly could lead to prosecution.
 - Allowed courts to add 18 months to disqualification penalties for persons found guilty of felonies or misdemeanors.
 - Extended the disqualification penalty for voluntarily quitting a job to participants as well as applicants. Also annualized work registration.
 - Extended the SSI cash-out project through October 1985.
 - Secretary authorized to redefine resources with respect to vehicles.
 - Rates of improper denials and terminations to be considered in determining enhanced funding, and corrective action plans for States with error rates over 5%.
 - Excluded as income payments or allowances for energy assistance if they are specifically designated as energy assistance by State or local legislative bodies and if they are calculated on a seasonal basis.
 - Allowed the Secretary to conduct an employment requirement pilot project.

P.L. 97-253, 96 Stat. 763-807

Omnibus Budget Reconciliation Act of 1982

September 8, 1982

- Reauthorized the FSP through the end of FY 1985.
- Future adjustments to the TFP scheduled for October 1, 1983 and October 1, 1984, and will use June 30 data for the same year for the cost of the 4-person plan reduced by 1%.
- Family members who live together and who are neither elderly nor disabled considered one economic unit. Disabled or infirm elderly persons and their spouses may be considered separate households.
- Household allotments and adjustments to the TFP, standard deduction, and the cap on the dependent care/excess shelter expense deduction are rounded down to the nearest lower \$1.
- Households with no elderly or disabled members required to meet both a 100% of poverty net income test and a 130% of poverty gross income test.
- Optional standard utility allowance can only be used if the household incurs heating or cooling costs.
- Households in which the adult members are elderly or disabled and have no earned income exempted from monthly reporting. Secretary allowed to waive monthly reporting for households for which a State can demonstrate an unwarranted administrative expenditure. Granting of waivers permitted to establish periodic reporting rules compatible with AFDC.
- Households consisting entirely of AFDC recipients considered categorically resource eligible.
- Definition of disabled expanded to include disabled veterans and their surviving disabled spouses and children.

- Voluntary quit penalty increased from 60 to 90 days. States provided the option of requiring job search at application. Government employees losing jobs due to participation in an illegal strike considered voluntary quitters.
- Discontinued first-month allotments of less than \$10. Prorated benefits following a break of any length in certification.
- Limited expedited service to households with less than \$150 in monthly gross income, or destitute migrant or seasonal farm workers with no more than \$100 in liquid resources, has a 5 day processing standard and verification of income and liquid assets during that time period to the extent possible.
- Replaced the three-tiered incentive system by 60% federal funding of administrative costs for State agencies with error rates below 5% and a reasonable rate of invalid decisions. Any State agency's administrative funding may now be reduced if its overissuance error rate exceeds 9% in FY 1983, 7% in FY 1984, or 5% in FY 1985 or any succeeding fiscal year. Under the sanctions, administrative funding would be reduced 5% for each 1% - 3% that its error rate exceeds the goal. For each 1% or fraction above 3% that a State agency's error rate exceeds its goal, funding would be reduced 10%. State agencies may avoid sanctions in the first two years by making satisfactory progress toward a set goal. Secretary may find good cause for a State agency's failure to meet its goal and waive the sanction.
- Workfare obligation increased to 30 hours a week and WIN participants no longer automatically exempt. State agencies may share in the savings from job placements.
- Waiver authority for those required to report under MRRB expanded to allow for increased compatibility with AFDC.
- Disregarded COLA increases in Social Security and SSI until October 1 of each year.
- Secretary allowed to require State use of alternative methods of issuance to improve program integrity.
- Permanently disqualified retailers and wholesalers who violate the law for the third time from program participation. Civil money penalties increased from \$5,000 to \$10,000 for stores whose disqualification would harm participants. Secretary allowed to require bonds from previously penalized retailers and wholesalers.
- Deleted work registration exemption for a parent or other caretaker of a child in a household where there is another able-bodied parent who is subject to work requirements.
- Deleted requirement for joint USDA/DOL employment regulations.
- Prohibited a household's receipt of an increased allotment as the result of a decrease in the household's income resulting from a penalty which was imposed against the household for an intentional failure to comply with a Federal, State, or local law relating to welfare or a PA program.
- Secretary authorized to limit the participation of house-to-house trade routes in those areas in which he finds evidence that the operation of these routes damages the program's integrity.
- Prohibited the Secretary from requiring a State to submit for prior approval State agency instructions to staff, interpretations of existing policy, State agency methods of administration, forms used by the State agency, or any similar materials.
- Secretary allowed to restrict the number of households which may be represented by an authorized representative and establish standards for such representatives.
- Provided for the prompt reduction or termination of benefits in any case in which the State

agency receives from the household a written statement containing information that clearly requires such action.

- States required to establish a system to assure that an individual does not receive coupons in more than one jurisdiction within the State.
- States required to ensure that FSP recipients do not receive both food coupons and SSI cash-out benefits at the same time.
- States allowed to use alternative means of collecting overissuances.
- Mandated that Puerto Rico implement a noncash food assistance program effective October 1, 1983, allowing the Commonwealth to provide cash benefits to recipients during Fiscal Year 1983.

P.L. 98-204, 97 Stat. 1385-1386
Puerto Rico Nutrition Assistance Program
December 2, 1983

- Extended Puerto Rico's authority to provide cash food assistance through September 30, 1985.
- Allowed the Secretary additional MRRB waiver authority to shorten or extend certification periods, calculate household income prospectively, and permit other forms of reporting.

P.L. 98-369, 98 Stat. 494-1210
Deficit Reduction Act of 1984
July 18, 1984

- Required the Secretary of the Treasury to disclose unearned income information to agencies administering the FSP.
- Required all States to establish income and eligibility verification systems (IEVS) based on Social Security numbers (SSNs).

P.L. 99-198, 99 Stat. 1354-1660
Food Security Act of 1985
December 23, 1985

- Changed the upper age limit of adults in the reference family for the TFP from 54 to 50.
- Prohibited participation in the FSP by States in which sales taxes are assessed on food stamp transactions, effective no later than October 1, 1987.
- Made households in which all members receive AFDC, SSI, or other disability payments under the SSA categorically eligible for the FSP (subject only to the provisions on institutional status, work requirements, fraud disqualification, and SSI cash-out) through FY 1989.
- Prohibited termination of food stamps solely on the basis of termination of participation in

- another program.
- Provided that third-party payments made on behalf of a household by a State or local government are income to the household if the payments are in lieu of payments for living expenses under AFDC or a general assistance program and are not provided for medical, child care, energy, housing, or emergency assistance.
 - Excluded as income any portion of loans that are origination fees or insurance premiums, prohibited nonfederal educational assistance for living expenses and Federal assistance used for tuition and mandatory fees from being excluded as a reimbursement.
 - Raised the earned income deduction from 18 to 20 percent.
 - Uncoupled the child care and shelter deductions and raised the shelter deduction limit to \$147 (effective May 1, 1986) and the dependent care deduction to \$160 (not indexed).
 - Permitted States either to use separate standard utility allowances (SUAs) for households which get Low Income Home Energy Assistance Act (LIHEAA) payments and other households, or to give full SUAs to all households; permitted households to switch between SUAs and actual expenses at the end of certification periods and one other time a year.
 - Required self-employment income to be calculated on the basis of anticipated earnings if prior self-employment income does not reflect actual circumstances.
 - Limited mandatory MRRB to households with earnings or recent work history; provided authority for the Department to waive mandatory MRRB if State agencies establish that MRRB would result in unwarranted administrative costs.
 - Resources:
 - Raised the asset limit from \$1,500 to \$2,000 for households with no elderly members; extended the \$3,000 asset limit for households with elderly members to one-person households.
 - Permitted the Department to change regulations on inaccessible resources.
 - Excluded from the asset test property necessary to maintain a vehicle excluded from the fair market value test.
 - Excluded one burial plot for each household member.
 - Required the Secretary to establish a Disaster Task Force and send its members to a disaster area to provide assistance when cost-effective.
 - Disqualified only the violating member if the person who violates a work requirement is not the head of household.
 - Extended the work requirements to 16- and 17-year-old heads of households who are not attending school or enrolled in a training program on at least a half-time basis.
 - Expanded exceptions to student ineligibility to include students assigned to college by JTPA programs.
 - Employment and Training/Workfare.
 - Required all States to implement an employment and training (E&T) program approved by the Secretary by April 1, 1987.
 - Included as E&T components: job search, job search training, workfare, employment or training experience, or other projects approved by the Secretary.
 - Allowed State agencies to exempt individuals or categories of individuals from the E&T program.
 - Required State agencies to establish requirements for E&T participation for nonexempt individuals.

- Required State agencies to reimburse E&T participants for expenses, up to \$25 per person.
- Required the Secretary to establish State E&T performance standards which can vary by State but cannot exceed 50% of nonexempt persons.
- Authorized the Secretary to withhold administrative funding if a State agency fails to meet a work program requirement, including a performance standard.
- Provided \$375 million in funding grants for E&T between 1986 and 1990.
- Provided 50% Federal funding for State agencies E&T expenses (including participant reimbursements up to \$12.50 per person per month.
- Required a report to Congress on E&T programs by January 1, 1989.
- Extended workfare requirements to 16- or 17-year-old heads of households if they are not enrolled in school or employment training.
- Based the workfare obligations of an AFDC/FSP recipient on the combined AFDC grant and food stamp allotment of his/her household.
- Authorized State agencies to stagger issuance over the entire month.
- Required that any household applying for and receiving benefits in the last 15 days of a month must get its next allotment by the 8th day of the next month.
- Required the Secretary to require State agencies to adopt alternative means of coupon issuance to improve program integrity.
- Authorized simplified application/standardized benefit programs for households in which at least one member receives AFDC, SSI, or Medicaid and which meet the gross income test.
- Allowed credit unions with food retailers or wholesalers in their fields of membership to redeem food stamps.
- Prohibited financial institutions from imposing a redemption fee on retail food stores which submit food stamps in accordance with Federal Reserve requirements (other than cancellation). Required the Secretary to establish standards for State agencies to periodically review the adequacy of their food stamp offices' hours.
- Required one adult household member to certify, under penalty of perjury, the accuracy of information provided in applications.
- Required units for detecting and investigating fraud and for assisting fraud prosecutions in project areas with 5,000 or more participating households.
- Removed restrictions on the eligibility factors State agencies can mandate to be verified. Enacted the regulatory requirement that questionable household size be verified.
- Added cost-effectiveness as a criterion for requiring photo IDs.
- Required State agencies to provide a means for certifying and issuing food stamps to eligible homeless people while ensuring that only eligible homeless people participate.
- Required State agencies to encourage food stamp recipients to participate in the expanded food and nutrition education program (EFNEP) and to place EFNEP personnel and materials in food stamp offices.
- Joint processing:
 - Extended SSI joint processing provisions to households in which all members are SSI applicants or participants;
 - Expanded SSI joint processing to include providing information about the availability of food stamp benefits and assistance in applying for the FSP;
 - Revised joint processing for social security applicants/recipients to require

- providing information about the availability of benefits and of a simple application; and
 - Required USDA and DHHS to revise the joint processing memorandum of understanding to insure that the above provisions are met and that DHHS receives reimbursement from USDA for its costs.
- Converted the time remaining in the disqualification period of any store that is sold or transferred to a civil money penalty.
- Unemployment Compensation Intercepts:
 - Permitted State agencies to recover uncollected fraud claims through intercepting unemployment compensation (UC) benefits;
 - Amended the Wagner-Peyser Act and the SSA to authorize providing UC information to food stamp State agencies; and
 - Required food stamp State agencies to reimburse UC State agencies for their administrative costs.
- Quality Control
 - Excluded from State agencies' error rate liability any errors caused by using a Federal automatic information exchange system.
 - Required State agencies to submit QC data expeditiously.
 - Required USDA to notify State agencies of their error rate liability by June 30 of each year and initiate collection action by September 30, if administrative and judicial reviews are completed.
- State Agency Automation:
 - Required USDA with State agency assistance to develop a model ADP plan for public comment;
 - Required each State agency that does not already have sufficient computerization to submit a plan by October 1, 1987;
 - Required State agencies to begin implementation of their ADP plans by October 1, 1988, and to complete implementation in accordance with timeframes included in their plan;
 - Authorized the Secretary to require State agencies to take specific computerization steps for rectifying identified administrative shortcomings.
- QC Study:
 - Required USDA to study the QC system, focusing on the system providing 1) information on improving administration and 2) reasonable data for establishing State specific error rate liability;
 - Imposed a six-month moratorium on error rate. sanctions;
 - Required publication of regulations by 18 months after enactment restructuring the QC system;
 - Required implementation of the new QC system and reductions in administrative funding for error rate liabilities.
- Extended SSI cash-out from FY1086 through FY 1990 upon State agency request.
- Tied allotment reduction for insufficient funding to authorized amounts.
- Set future funding for Puerto Rico's NAP at the following levels:
 - \$852.750 million for FY 1987
 - \$879.750 million for FY 1988

\$908.250 million for FY 1989
 \$936.750 million for FY 1990

P.L. 99-425, 100 Stat. 964-978
Human Services Reauthorization Act of 1986
September 30, 1986

- Required inclusion of the full amount of direct or indirect LIHEAA benefits in the calculation of the shelter deduction.
- Prohibited program administrators from making any distinction between households that receive LIHEAA benefits as payment to energy vendors and those that received each LIHEAA.

P.L.99-603, 100 Stat. 3359-3445
Immigration Reform and Control Act of 1986
November 6, 1986

- Made certain illegal aliens temporary residents who could eventually become permanent residents/citizens and qualify for food stamps.
 - Most nonagricultural workers would be ineligible for 5 years except those that are elderly, blind, and disabled as defined by SSI and certain Cuban/Haitian entrants as defined by Section 501(e)(1) or (2)(A) of P.L. 96-422.
- Required the use of INS' SAVE system for verification of alien status.

P.L. 100-77, 101 Stat. 482-538
Stewart B. McKinney Homeless Assistance Act
July 22, 1987

- Provided separate household status for parents of minor children and those children even though they live with the parents' parents or siblings.
- Increased the cap on the excess shelter deduction to \$164 a month for households certified on or after October 1, 1987.
- Excluded as income third-party housing assistance payments made on behalf of households in temporary housing that lacks food preparation facilities or refrigerated storage.
- Provided 50% Federal funding for optional food stamp informational activities directed at homeless individuals.
- Expanded the categories of households eligible for expedited service to eligible homeless individuals and households whose combined gross income and liquid resources are less than their rent/mortgage and utilities.

P.L. 100-387, 102 Stat. 924-960
Disaster Assistance Act of 1988
August 11, 1988

- Excluded as income emergency assistance for migrants or seasonal farm workers provided while they are in the job stream and in the form of vendor payments.
- Exempted migrants and seasonal farm workers from proration of benefits for breaks in certification of 30 days or less.

P.L. 100-435, 102 Stat. 1645-1677
Hunger Prevention Act of 1988
September 19, 1988

- Raised maximum allotments to 100.65% of the TFP for the preceding June for FY 1989, 102.05% for FY 1990, and 103% for FY 1991 and thereafter.
- Required prospective budgeting for households not required to report monthly and retrospective budgeting for monthly-reporting.
- Required that eligible households applying after the 15th of the month receive one combined allotment for the initial month and first subsequent month.
- Authorized that State agencies receive 50% Federal funding for optional State outreach.
- Made permanent the amendment in the Homeless Eligibility Clarification Act that exempts residents of shelters from ineligibility as residents of institutions.
- Required State agencies to provide applicants a clear written statement about verification requirements assist applicants in obtaining verification. Prohibited State agencies from requiring additional verification on currently verified information unless information is believed to be inaccurate, incomplete, or inconsistent.
- Required State agencies finding improper denials, terminations, or underissuances to restore benefits and take action to prevent similar errors.
- Provided for waiving office interviews if all household members are elderly or handicapped, live in a location not served by a certification office, or have transportation difficulties or similar hardship, and permitted telephone interviews or home visits instead.
- Required the Secretary to exclude the value of farm land, equipment, and supplies for a period of one year after a household member ceases to be self-employed in farming.
- Extended disabled status to recipients of interim assistance pending receipt of SSI, disability-related medical assistance under Title XIX of the SSA, or disability-based State general assistance.
- Required State agencies to develop a method of claiming the medical deduction for recurring medical expenses without monthly verification.
- Excluded as income Earned Income Tax Credit payments received in advance.
- Revised the dependent care deduction to \$160 per dependent excluding costs paid by E&T; provided an income exclusion for payments for work-related expenses or dependent care under E&T.
- Employment and Training Program:

- Permitted States to approve other E&T components in accordance with regulations and authorized educational programs to improve employability;
 - Required State agencies to have a conciliation process for resolving disputes over E&T participation;
 - Prohibited Federal funds for E&T activities from supplanting non-Federal funds.
 - Required State agencies to pay for or reimburse participants for the actual cost of 1) transportation and other costs up to \$25 a month or higher at State agency option and 2) dependent care up to \$160 per month per dependent except for AFDC recipients in areas which have AFDC employment and training or education programs or had them on 9/19/88;
 - Required outcome-based performance standards;
 - Provided an income exclusion for AFDC employment, training or education program reimbursements/payments for dependent care or other expenses if the program is initiated after 9/19/88; and
 - Required 50% Federal funding for State agencies' E&T reimbursements/payments for dependent care, transportation and other costs.
- Payment Accuracy Improvement System:
 - Required a State agency which fails to pay an error-rate liability claim within 30 days of receiving the bill to pay interest from the day of receipt;
 - Provided for an administrative review process using administrative law judges for error-rate liability; and
 - Provided for enhanced Federal funding of State agencies' administrative costs of one percentage point, up to 60%, for each full .1 percentage point a State agency's payment error rate falls below six percent, as long as a ceiling for invalid denials is not exceeded. The Secretary will publish a national performance measure as a sum of State payment error rates weighted by allotments. The national performance measure will be used to establish a payment error tolerance level, which will be one percentage point above the lowest national performance measure over achieved.

P.L. 100-485, 102 Stat. 2343-2428

Family Support Act

October 13, 1988

- Excluded from income the value of any child care payments made under Title IV-A of the SSA, including transitional child care payments (these are entitlement payments).

P.L. 100-707, 102 Stat. 4689-4715

Robert T. Stafford Disaster Relief and Emergency Assistance Act

November 21, 1988

- Excluded as income and resources Federal major disaster and emergency assistance

provided to individuals and families under that Act and comparable disaster assistance provided by States, local governments, and disaster assistance organizations.

P.L.101-220, 103 Stat. 1876-1880

Temporary Exclusion of Certain Housing Assistance from Income for Purposes of the Food Stamp Act of 1977

December 12, 1989

- Extended the temporary income exclusion for certain housing assistance for the homeless through September 30, 1990.

P.L. 101-392, 104 Stat. 753-843

Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990

September 25, 1990

- Established a parallel exclusion to that in P.L. 99-498 for Higher Education Act assistance, except added dependent care to the list of items from which the bill's education income could be used and be excluded for food stamp purposes.

P.L. 101-508, 104 Stat. 1388-1388-628

Omnibus Budget Reconciliation Act of 1990

November 5, 1990

- Required the Secretaries of HHS and Agriculture to develop a procedure to allow institutionalized individuals who are about to be released to make a single application for both SSI and food stamp benefits. The Secretary of HHS could either 1) use a single application form for the food stamp and SSI program; or (2) The Secretary of HHS could either 1) use a single application for the food stamp and SSI programs; or (2) take concurrent applications for the SSI and food stamp programs.
- Disregarded as income or as a deductible expense for purposes of any other Federal or federally assisted needs-based program, child care benefit to low income non-AFDC families that the State determines: (1) need such care in order to work; and (2) would otherwise be at risk of becoming dependent upon AFDC.
- Changed the period of time required by law to notify recipients of Federal benefit programs about the results of a computer match prior to taking adverse action against individuals.
- Disregarded the earned income tax credit as income or as a resource in determining eligibility.

P.L. 101-624, 104 Stat. 3359-4078
Mickey Leland Memorial Domestic Hunger Relief Act
November 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.
- Expanded categorical eligibility to recipients of certain State and local GA payments.
- 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.
- 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.
- 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.
- Authorized adult members of a household to select the head of household at certification and recertification.
- Limited expansion of student eligibility as follows:
 - Students between 50 and 60 may be eligible;
 - Students assigned to institutions of higher education; and
 - Full-time students who are single parents responsible for the care of children under 12 may be eligible.
- Established EBT as an issuance alternative.
- 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.
- Made optional the provision that had required State agencies to issue a combined allotment.
- Required that households entitled to expedited service must get their first (prorated) and second months' allotments according to expedited service processing timeframes.
- 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.
- Required information on filing rights, service requirements, and provision of benefits to be printed on or near front cover of application.
- 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 Secretary to assign nutrition education of eligible households to the Cooperative Extension Service.
- 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.
 - 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.
 - Provided for permanent disqualification of firms found to have sold firearms, ammunition, explosives, or controlled substances for food stamps.
 - Permitted imposition of fines against firms that accept food stamps that are not accompanied by the corresponding book cover.
 - Permitted imposition of fines against any person who violates any provision of the Act or regulations, including violations concerning the sale of eligible items for food stamps.
 - 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.
 - Increased fines for felony trafficking from \$10,000 to \$20,000.
 - Provided \$75 million annually to be allocated among State agencies for E&T.
 - Guaranteed each State at least \$50,000 for E&T each FY.
 - 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.
 - Authorized four demonstration projects, in both urban and rural areas, in which pure AFDC households may be issued food stamp allotments following AFDC rules.
 - 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.
 - 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.
 - Mandated a review of regulations and for the approval of States ADP and information

retrieval systems maintained by States, required that:

- 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 payment 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; and
 - 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.
 - Made most provisions effective the first of the month 120 days after publication of regulations but not later than February 1, 1992.

P.L. 101-649, 104 Stat. 4978-5087

Immigration Act of 1990

November 28, 1990

- Made family members approved under the Family Unity Provisions of the Act ineligible for public welfare assistance in the same manner and for the same period that an IRCA alien in the family is ineligible for such assistance.

P.L. 102-237, 105 Stat. 1886

Food, Agriculture, Conservation, and Trade Act Amendments of 1991

December 13, 1991

- Expanded eligibility to receive food stamps and to use them to purchase meals provided by group living arrangements to all individuals who meet the Food Stamp Act's definition of "disabled."
- Limited categorical eligibility for GA recipients to those receiving benefits from programs that have income limits at least as stringent as the food stamp gross income test.
- Denied categorical eligibility to recipients of GA programs that provide one-time emergency payments that cannot be provided for more than one continuous month.
- Expanded the income exclusion for educational income by excluding income either used for or made available (earmarked) by the school, institution, program, or other grantor.
- Provided a food stamp income exclusion for amounts necessary for the fulfillment of a plan for achieving self-support (PASS) under Title XVI of the Social Security Act. (The Farm Bill provided a resource exclusion for such funds.)

- Expanded the definition of an inaccessible resource.
- Prohibited the Department from requiring State agencies to require verification of the value of inaccessible resources.
- Excluded all of the resources of recipients of AFDC; SSI; and aid to the aged, blind, or disabled under Titles I, II, X, XIV, or XVI of the Social Security Act.
- Included as income the portion of a transitional housing vendor payment that equals 50% of AFDC's maximum shelter allowance only if the shelter allowance to be paid is calculated separately from amounts for other household needs.
- Postponed implementation of required staggered issuance and exemptions from monthly reporting for households on Indian reservations until April 1, 1993.
- Required the GAO to report to Congress by 180 days after enactment on its findings about the difficulties experienced by residents on Indian reservations in obtaining food stamp benefits.
- Prohibited prorating during certification periods except during the initial month.
- Gave households who have claims made against them because of inadvertent household errors 10 days to select alternate means of paying the claims before allotment reduction is used.
- Required the Department to commence operating the demonstration project for vehicle exclusion limit by January 1, 1993.
- Made a technical amendment to the Homeless Eligibility Clarification Act of 1986 so that restaurants could be authorized as retail food stores to accept food stamps from homeless people. (Retroactive to October 1, 1990)

**P.L. 103-31,
National Voter Registration Act of 1993
May 20, 1993**

- Required that all offices in a State that provide public assistance) must:
 - Distribute mail voter registration application forms;
 - Assist applicants in completing voter registration application forms; and
 - Accept completed voter registration application forms.

**P.L 103-66, 107 Stat. 312
Omnibus Budget Reconciliation Act of 1993; Chapter 3, Mickey Leland Childhood
Hunger Relief Act
August 10, 1993**

- Excluded as income of the household, earnings of elementary or high school students who are members of the household and are 21 years old or younger (instead of 18 years old).
- Eliminated the shelter deduction cap in increments. The cap would be \$231 from July 1, 1994, through September 30, 1995 (\$402 for Alaska, \$330 for Hawaii, \$280 for Guam, and \$171 for the Virgin Islands); \$247 from October 1, 1995, through December 31, 1996

- (\$429 for Alaska, \$353 for Hawaii, \$300 for Guam, and \$182 for the Virgin Islands); and no cap beginning January 1, 1997.
- Excluded earned income tax credits (EITCs) as resources for 12 months from receipt (instead of the current 2 months) if the individual receiving the EITC was participating in the FSP when the EITC was received and participates continuously during the 12-month period.
 - Excluded entire amount of vendor payments for transitional housing for the homeless (instead of excluding all but a portion equal to 50 percent of the State's maximum shelter allowance).
 - Revised the provision on counting general assistance (GA) vendor payments as income so that only those vendor payments provided to cover housing expenses, exclusive of energy or utility expenses, are included as income. (GA vendor payments provided for living expenses were previously included)
 - Eliminated proration of benefits for households unless they are off the FSP for more than 1 month (households' benefits were previously prorated following any break in participation).
 - Increased Puerto Rico's Nutrition Assistance Program funding by \$6 million for Fiscal Year 1994 and \$10 million for Fiscal Year 1995.
 - Gave State agencies the option to provide a deduction for legally-binding child support payments made to non-household members. By October 1, 1995, the deduction would become mandatory.
 - Raised the cap on the dependent care deduction from \$160 to \$200 for children under 2 years old and \$175 for all other dependents.
 - Removed the specific dollar cap on dependent care reimbursements under the Employment and Training Program; use the applicable local market rate instead, but that rate must be at least \$200 for children under 2 and \$175 for all other dependents. Provided 50 percent Federal funding for amounts State agencies reimburse up to the applicable market rate.
 - Set the fair market value of vehicles which is excluded in determining households' resources at \$4550 (instead of \$4500) for September 1, 1994 - September 30, 1995 and \$4600 for October 1, 1995 - September 30, 1996. From October 1, 1996, annually adjust the value using \$5000 as a base and the CPI-U for new cars for the 12 months ending the preceding June and rounding to the nearest \$50.
 - Excluded as resources, the value of vehicles used to carry the primary source of fuel for heating or water for home use.
 - Mandated that the Department conduct demonstration projects testing allowing food stamp households to accumulate up to \$10,000 in resources. Limited the demonstration projects to 4 years duration (beginning after September 30, 1993) and 11,000 households. Required households to maintain the additional resources in separate accounts intended for (1) education, training, or employability (2) purchasing a home, (3) changing the household's residence, and (4) making major home repairs.
 - Simplified the household definition: Children 21 years old and under living with their parents cannot be separate households from their parents unless they are married and living with their spouses and/or living with their children; children (other than foster children) who are under 18 years old and live under the parental control of an adult household member cannot be separate households; adult siblings who live together and adult children who live with their parents can be separate households if they purchase and prepare food

separately; retained the Fenwick provision for separate household status of elderly, disabled people.

- Permitted the children of drug addicts and alcoholics who live with their parents in treatment centers to qualify for food stamps. Made the meals served to those children by the centers eligible for purchase with food stamps.
- Effective October 1, 1993, expanded the disclosure provision to permit collection of claims resulting from intentional program violations and inadvertent household errors by offsetting Federal pay. Authorized such claims collection.
- Disqualified recipients for 1 year (instead of 6 months) for a first finding by a court that the recipient has purchased illegal drugs with food stamps and permanently for a second such finding or the first finding by a court that the recipient has purchased firearms, ammunition, or explosives with food stamps (instead of 1 year and 6 months, respectively).
- Effective October 1, 1993, raised the cap on civil money penalties for trafficking to \$40,000 per investigation (instead of \$40,000 in a 2-year period).
- Effective October 1, 1993, raised the cap on civil money penalties for selling firearms, ammunition, or explosives for food stamps to \$40,000 per investigation (instead of \$40,000 in a 2-year period).
- Modified the quality control (QC) system, retroactive to October 1, 1991, to:
 - Permit interest to accrue if bills are not paid after 1 year (rather than 2 years);
 - Use each year's national performance measure to establish a State agency's liability (instead of using the payment-error tolerance level, which was the lowest national performance measure ever plus 1 percentage point);
 - Calculate a State agency's liability by multiplying its issuance times the ratio of the amount the State agency's payment error rate exceeds the national performance measure to the national performance measure (but not greater than 1) times the amount the State agency's payment error rate exceeds the national performance measure;
 - Exclude errors made in applying a new regulation for a 120-day period following the required implementation date (rather than 60 or 90 days);
 - Require that all case reviews and arbitrations be completed by March 29 (or March 28 in leap years) and require the Department to determine final error rates, the national average payment error rate, and billing amounts by April 28 (or April 27 in leap years);
 - Retroactive to October 1, 1991, require that good cause determinations be made by administrative law judges (ALJs) rather than the Secretary;
 - Require the ALJs' determination of billing amounts according to specific timeframes;
 - Authorize the ALJs to extend any of the above deadlines;
 - Retroactive to October 1, 1991, require the ALJs to hold evidentiary hearing upon the request of either the State agency or the Department; and
 - Define "good cause" to include: a natural disaster or civil disorder, a strike by State agency employees, significant caseload growth (e.g., 15%), a FSP change or other Federal or State program change that substantially adversely impacts FSP management, or a significant circumstance beyond the control of the State agency.

- Effective April 1, 1994, provided 50 percent Federal funding for State agencies' administrative costs for automation (instead of 63 percent), fraud investigations and prosecutions (instead of 75 percent), and the Systematic Alien Verification for Entitlement system (instead of 100 percent).

NOTE: Although the legislation did not include any provisions related to electronic benefits transfer (EBT), the Conference Report did include a statement by the managers strongly urging the Secretary to encourage State agencies to develop and establish EBT systems. The Report also expanded on the current requirement for cost neutrality by deleting the requirement that each year's EBT cost cannot exceed the cost of a coupon system and considering the value of governmental savings from reduced losses and other savings or benefits.

P.L. 103-205, 107, Stat. 2418
December 17, 1993

- Delayed implementation of 1990 Farm Bill requirements that States stagger FS issuance for families residing on Indian reservations, and which exempted reservation households from the FSP's State option of monthly income reporting from January 31, 1994 to March 15, 1994.
- Prohibited disqualification of an establishment or house-to-house trade route from participation in the FSP solely because the establishment or house-to-house trade route does not meet the definition of "retail food store" under section 3(k)(1) of the FS Act. Prohibition in effect during the period December 17, 1993 through March 15, 1994.

P.L. 103-225, 108 Stat. 106
Food Stamp Program Improvements Act of 1994
March 25, 1994

- Deleted the 1990 Farm Bill provision prohibiting State agencies from requiring monthly reporting on Indian reservations and permitted State agencies to continue monthly reporting on Indian reservations only if specific conditions regarding reinstatement, action on changes, and certification periods are met. Deleted the 1990 Farm Bill provision requiring State agencies to stagger issuance throughout the month and required State agencies to stagger issuance over 15 days on Indian reservations upon request of the tribal organization that has governmental jurisdiction over the reservation.
- Required the General Accounting Office (GAO) to conduct a study and report by December 1, 1994 to determine whether it is feasible and desirable to increase opportunities for Indian Tribal Organizations (ITOs) to administer the Food Stamp Program.
- Replaced the current definition of "retail food store" with a definition that would require firms, in order to be authorized to accept food stamps, to meet one of the following criteria: (1) offer for sale on a continuous basis a variety of food classified in each of four staple

food categories--meat, poultry, or fish; bread or cereals; vegetables or fruits; and dairy products--and sell perishable foods in at least two of these categories of staple foods or (2) have over 50 percent of its total sales in eligible food.

- Required the Secretary to issue regulations providing for periodic reauthorization of retailers and wholesalers and periodic notices to participating firms about the definitions of "retail food store," "staple foods," "eligible foods," and "perishable foods."
- Provided access to the information supplied by retailers/wholesalers to Federal and State law enforcement and investigative agencies for the purpose of administering/enforcing the Food Stamp Act or other Federal and State laws and corresponding regulations.
- Established fines up to \$1000 and imprisonment for up to one year, or both, as penalties for misuse of retailer/wholesaler information.
- Required the Department to use up to \$4 million to conduct demonstration projects testing innovative ideas of State or local food stamp agencies for working with State or local law enforcement agencies to investigate and prosecute food stamp trafficking.
- Provided that a retail firm that is authorized on the date of enactment of the legislation shall be considered to meet the new definition until its periodic reauthorization or its continued participation is evaluated for any reason.
- Required the Department to report to Congress within 18 months of enactment on the impact of the new authorization criteria and the periodic reauthorization and notice requirements.

P.L. 103-296, 108 Stat. 1464
Social Security Administrative Reform Act of 1994
August 15, 1994

- Permitted the Secretary to share social security (SSNs) and employer identification numbers (EINs) of officers or owners of applicant retail food stores or wholesale food concerns with any other agency or instrumentality of the United States which otherwise has access to SSNs.

P.L. 104-66
Federal Reports Elimination and Sunset Act of 1995
December 21, 1995

- Eliminated annual requirement for the Secretary to report to Congress on project areas having payment error rates that impair the integrity of the FSP, and describing new or modified certification procedures which the Secretary determined would improve the integrity of the FSP and be cost effective in these areas.
- Eliminated the requirement for OIG to report to Congress within 180 days on findings obtained in financial audits of project areas in States whose ratio of average food stamp participation in any quarter of a fiscal year to the State's total population in that quarter exceeds 60%.

P.L. 104-127, 110 Stat. 888
Federal Agriculture Improvement and Reform Act
April 4, 1996

- Added evidence that the management of the store or food concern was aware of, approved of, benefited from, or was involved in the conduct of no more than one previous violation to the reasons a civil money payment can be imposed in lieu of a permanent disqualification based on the purchase of coupons or trafficking in coupons or authorization cards by the store or wholesale food concern.
- Extended E&T funding at its 1995 level (\$75,000,000) through 2002.
- Extended elderly/SSI cash-out demonstration projects through 2002.
- Extended outreach demonstration projects through 2002.
- Reauthorized the FSP through 1997.
- Reauthorized the Puerto Rico Nutrition Assistance Program through 2002 funding it at \$1,143,000,000 for fiscal year 1996; \$1,174,000,000 for fiscal year 1997; \$1,204,000,000 for fiscal year 1998; \$1,236,000,000 for fiscal year 1999; \$1,268,000,000 for fiscal year 2000; \$1,301,000,000 for fiscal year 2001; and \$1,335,000,000 for fiscal year 2002.
- Funded American Samoa's modified food stamp program at a level of \$5,300,000 for each of fiscal years 1996 through 2002.

P.L. 104-193, 110 Stat. 2105
Personal Responsibility and Work Opportunity Reconciliation Act
August 22, 1996

- Limited certification periods to 12 months, except that the certification period may be up to 24 months if all adult household members are elderly or disabled. States must have at least one contact with each certified household every 12 months.
- Included in the definition of "coupon" authorization cards, cash or checks issued in lieu of coupons, and "access devices" for EBT systems (including EBT cards and personal identification numbers).
- Deleted a current exemption so that children under 22 years old who live with their parents and their own children or spouses must be included in the same household with their parents.
- Required that annual adjustments to maximum allotments reflect the actual change in the cost of the Thrifty Food Plan (TFP) rather than 103% of the change, beginning October 1, 1996.
- Required that the October 1996 adjustment to the Thrifty Food Plan not reduce maximum benefit levels.
- Provided that persons whose primary nighttime residence is a temporary accommodation in the home of another may only be considered homeless if the accommodation is for no more than 90 days.
- Explicitly permitted non-uniform standards of eligibility for food stamps.
- Limited exclusion to the earnings of elementary and secondary school students who are 17

- or younger.
- Limited energy assistance exclusion to (1) Federal energy assistance and (2) Federal or State one-time assistance for weatherization or emergency repair or replacement of heating or cooling devices.
 - Retained the provision in the Low-Income Home Energy Assistance Act that requires that all expenses met with LIHEAA payments be regarded as out-of-pocket expenses qualifying for standard utility allowances (SUAs).
 - Provided specific income inclusion for assistance under Title IV-A of the Social Security Act (welfare block grant) if provided as energy assistance.
 - Specifically excluded State or local general assistance which (under State law) cannot be provided in cash directly to households.
 - Considered all energy costs met with State energy assistance as out-of-pocket expenses that qualify for SUAs.
 - Indefinitely froze the standard deduction for the 48 States and D.C. at \$134 and made similar reductions for other areas.
 - Disallowed an earned income deduction for any income not reported in a timely manner and for the public assistance portion of income earned under a work supplementation/support program.
 - Established an optional homeless shelter allowance deduction capped at \$143. The optional deduction replaces the current homeless shelter allowance. States may prohibit use of the deduction for households with extremely low shelter costs.
 - Set the shelter deduction cap at \$247 until December 31, 1996, \$250 for January 1, 1997 through September 30, 1998, \$275 for FYs 1999 and 2000, and \$300 from FY 2001 on.
 - Permitted States to make use of standard utility allowances mandatory for all households if (1) the State has developed separate standards that do and do not include the cost of heating and cooling and (2) USDA finds that the standards will not result in increased Federal costs. In States without mandatory SUAs, eliminated households' entitlement to switch between the SUA and actual expenses during certification periods.
 - Set the vehicle limit at \$4650 as of October 1, 1996 with no future adjustments.
 - Removed the exception for vendor payments for transitional housing for the homeless.
 - Required USDA to establish a procedure (designed not to increase Federal costs) whereby States can submit a method to be approved by USDA for determining reasonable estimates, instead of the actual costs, of producing self-employment income.
 - Doubled penalties for recipient fraud from 6 months to 1 year for the first violation and 1 to 2 years for the second violation (and the first violation involving trading of a controlled substance).
 - Permanently disqualified persons convicted of trafficking in food stamp benefits of \$500 or more.
 - Made ineligible (1) individuals who refuse without good cause to provide sufficient information to allow a determination of their employment status or job availability, (2) all individuals (in addition to heads of households) who voluntarily and without good cause quit a job, and (3) individuals who voluntarily and without good cause reduce their work effort (and, after the reduction, are working less than 30 hours a week). Deleted lack of adequate child care as an explicit good cause exemption for refusal to meet work requirements.

- Provided a State option to disqualify the household if the head of household is disqualified under a work rule for a period determined by the State that cannot exceed the lesser of the duration of the individual's ineligibility or 180 days.
- Established new mandatory minimum disqualification periods for individuals who fail to comply with work or workfare requirements:
 - For the first violation, until the later of the date they comply with work rules, 1 month, or a period determined by the State not to exceed 3 months;
 - For the second violation, until the later of the date they fulfill work rules, 3 months, or a period determined by the State not to exceed 6 months; and
 - For a third or subsequent violation, until the later of the date they fulfill work rules, 6 months, a date determined by the State, or, at State option, permanently.
- Required USDA to determine the meaning of good cause, voluntarily quitting, and reducing work effort.
- Required States to determine (1) meaning of other terms, (2) procedures for establishing compliance, and (3) whether individuals are complying. None of States' determinations can be less restrictive than comparable determinations under Title IV-A of the Social Security Act.
- Permitted States, which have had waivers denied by August 1, 1996, to lower the age at which a child exempts a parent/caretaker from food stamp work rules from 6 years old to not under 1 year old for a period of not more than 3 year.
- Streamlined administrative requirements for States by (1) requiring E&T components to be delivered through a Statewide workforce development system, if available; (2) expanding the existing State option to apply work rules to applicants to include all work requirements (now limited to job search); (3) removing the requirement that job search components be comparable to those under Title IV-A; (4) removing requirements that E&T components serve a useful public purpose and use recipients' prior training and experience; (5) removing specific Federal rules as to States' authority to exempt categories of individuals and individuals from E&T requirements; (6) removing the requirement to serve volunteers in E&T programs; (7) removing the requirement for conciliation procedures for resolution of disputes involving participation in an E&T program; (8) removing the requirement that reimbursements for dependent care are at least as high as the dependent care deduction cap; and (9) removing requirements for E&T performance standards.
- Other provisions make clear that work is a purpose of E&T programs and limit E&T funding for services to Title IV-A recipients to the amount used by the State for AFDC recipients in FY 95.
- E&T funding established as follows: FY 96--\$75 million, FY 97--\$79 million, FY 98--\$81 million, FY 99--\$84 million, FY 00--\$86 million, FY 01--\$88 million, and FY 02--\$90 million.
- Required that States' allocations of 100% E&T funds be based on a reasonable formula determined by USDA that considers each State's population of individuals subject to the new work requirement.
- Extended 50% E&T funding to costs for case management or casework to facilitate the transition from economic dependency to self-sufficiency through work.
- Provided States the option to count all of the income of aliens ineligible under the Food Stamp Act as available to their households.

- Allowed States the option to extend disqualifications for failure to perform actions required by other means-tested programs to the FSP.
- Made ineligible for 10 years individuals that fraudulently misrepresent their identity or residence in order to receive multiple food stamp benefits.
- Made fleeing felons and probation/parole violators ineligible for the program.
- Permitted States to require cooperation with the Child Support Enforcement (CSE) Program as a condition of eligibility for the FSP for applicants or participants who live with and exercise parental control over children under 18 years of age who have absent parents that are not providing appropriate support. Cooperation entails establishing paternity of the children and obtaining support for themselves or the child.
- Permitted States to establish payment of legally-obligated child support as a condition of food stamp eligibility for non-custodial parents. Neither custodial nor non-custodial parents could be charged a fee or other cost for CSE services.
- Provided States an option to disqualify individuals who are in arrears in court-ordered child support unless a court is allowing delayed payments or payments are being made in accordance with a court- or CSE-approved payment plan.
- Established new work requirement under which ABAWD's would be ineligible to continue to receive food stamps if they receive food stamps for 3 months in a preceding 36-month period while they did not work at least 20 hours per week, participate in a workfare or approved E&T program, or did not participate in a work program for at least 20 hours a week.
- Exempted individuals from new work requirement who are: (1) under 18 or over 50 years of age, (2) medically certified as unfit physically or mentally for employment, (3) members of households responsible for dependent children, (4) pregnant, or (5) otherwise exempt from work requirements.
- Individuals denied eligibility under the new work rule can regain eligibility by working or participating in work programs 80 hours in a 30-day period or complying with a workfare program for 30 days. If individuals lose this employment or cease participation in work or workfare programs, participation can continue for up to 3 additional months.
- On a State's request, USDA may waive application of the new work requirement to any group of individuals if USDA determines that the area where they reside (1) has an unemployment rate over 10 percent or (2) does not have a sufficient number of jobs to provide them employment. USDA must report the basis for any waiver to Congress.
- Provided that States must implement EBT systems before October 1, 2002, unless USDA waives the requirement because a State faces unusual barriers to implementation.
- Permitted States (subject to Federal standards) to procure and implement an EBT system under the terms, conditions, and design the State considers appropriate, adds a new requirement for Federal procurement standards, and deletes the requirement for USDA's prior approval.
- Added a provision that EBT systems should follow generally accepted operating rules based on commercial technology, the need to permit interstate operation and law enforcement monitoring, and the need to permit monitoring and investigations by law enforcement agencies.
- Deleted the requirement that EBT systems be cost neutral in any 1 year and be on-line systems.

- Added requirements that USDA's EBT standards include (1) measures to maximize security and (2) effective not later than 2 years after enactment and to the extent practicable, measures to permit EBT systems to differentiate among eligible and ineligible food items.
- Added a requirement that regulations regarding the replacement of benefits and liability for replacement under an EBT system be similar to those in effect for a paper food stamp issuance system.
- Permitted States to collect a charge for replacing EBT cards by reducing allotments.
- Permitted States to require that EBT cards contain a photograph of one or more household members and requires that, if a State requires a photograph, it must establish procedures to ensure that other appropriate members of the household and authorized representatives may use the card.
- Exempted food stamp EBT systems from Regulation E.
- Prohibited companies from providing EBT services on condition that customers obtain, or not obtain, some additional point-of-sale service from the company or any affiliate.
- Endorsed States operating EBT systems that are compatible with other States' systems.
- Eliminated the periodic adjustment in the minimum benefit.
- Required proration of allotments following any break in participation.
- Made the issuing of combined allotments (pro-rated first month's allotment plus full second month's allotment) to regular and expedited service applicants a State option.
- Prohibited an increase in food stamp benefits when a household's income is reduced because of a penalty imposed under a Federal, State, or local means-tested public assistance program for failure to perform a required action. Provides a State option to reduce allotments 25% or less.
- Permitted States to divide a month's food stamp benefits between a drug or alcoholic treatment center and a resident if the resident leaves the center.
- Permitted States to require the resident to designate the treatment center as his/her authorized representative.
- Required that USDA, or State or local officials designated by USDA, conduct pre-authorization visits to firms selected by USDA based on factors including size, location, and types of items sold.
- Required USDA to establish specific time periods during which retailers' and wholesalers' authorizations to accept and redeem food stamp benefits will be valid.
- Authorized requiring applicant retailers and wholesalers to submit relevant income and sales tax filing documents.
- Permitted regulations requiring retailers and wholesalers to provide written authorization for USDA to verify all relevant tax filings.
- Required retailers or wholesalers that are denied approval to accept and redeem food stamp benefits because they do not meet approval criteria to wait at least 6 months before submitting a new application. USDA may establish a longer time period, including permanent disqualification, that reflects the severity of the basis for the denial.
- Replaced many current client service requirements with broad requirements that States establish procedures that best serve households in the State including households with special needs (elderly, disabled, rural poor, homeless, households on reservations, and people who do not speak or read English); provide timely, accurate, and fair customer

service to all applicants and recipients; and develop applications containing necessary information.

- Permitted States to establish operating procedures that vary for local food stamp offices.
- Made clear that nothing in the Food Stamp Act prohibits electronic storage of application and other information, including signatures.
- Deleted requirements for a uniform national application, placing information about rights and responsibilities on the application, waiving office interviews for elderly or disabled applicants and households with transportation or other difficulties, and providing telephone or mail information to households that have transportation difficulties or similar hardships.
- Deleted requirements that States (1) inform applicants how to cooperate in completing the application process including obtaining verification, (2) assist applicants in obtaining verification and completing applications, (3) use current verified information already available, and (4) not deny applications for failure of non-household members to cooperate.
- Deleted requirements that States provide a description of reporting requirements at certification and recertification; and provide a toll-free, local, or collect telephone number that households may use to reach the State.
- Deleted requirements for displaying posters and providing materials in food stamp and PA offices about nutrition and eligibility for other USDA nutrition programs, using mail issuance in rural areas or other areas where low-income households face transportation problems, conducting a single interview when households apply for both food stamps and AFDC, combining food stamp applications with PA and Statewide general assistance (GA) applications, providing food stamp applications and information at local GA offices if the same agency administers GA and PA, and using verified information available in PA/GA files.
- Deleted Federal requirements for States' employee training.
- Required States to provide households' addresses, social security numbers, or photographs to law enforcement officers to assist them in locating fugitive felons or probation/parole violators.
- Increased the number of days which States have to provide expedited service from 5 to 7 calendar days.
- Eliminated households consisting entirely of homeless people from those categories of households entitled to receive expedited service.
- At State option, permitted households to withdraw (orally or in writing) requests for fair hearings.
- Made use of the income and eligibility verification system (IEVS) and the immigration status verification system (SAVE) optional.
- Required USDA to issue regulations to authorize as bases for retailer disqualifications evidence of violations obtained other than through on-site investigations; such as, inconsistent redemption data, or evidence obtained through a transaction report under an EBT system.
- Disqualified (up to permanently) retailers who knowingly submit applications for authorization that contains false information about substantive matters.
- Disqualified from the FSP retailers and wholesalers that are disqualified from the WIC Program.
- Disqualification must be for the same period as under WIC, may begin at a later date, and

- would not be subject to food stamp administrative/judicial review procedures.
- Replaced existing overissuance collection rules with provisions requiring States to collect any overissuance by allotment reduction, withholding unemployment compensation, recovering from Federal pay or income tax refunds, or any other means unless the State demonstrates that all of the means are not cost effective.
 - Limited benefit reductions for non-fraud and State error claims to the greater of 10% of the monthly allotment or \$10 a month.
 - Required States to establish requirements for notice, electing a means of payment, and setting a schedule for payment concerning collection of overissuances.
 - Permitted States to retain 20% of nonfraud collections other than those arising from State error and 35% of fraud collections.
 - Required that permanent disqualification of a retailer or wholesaler be effective from the date of receipt of the notice of disqualification. USDA is not liable for the value of lost sales if the disqualification is reversed through administrative or judicial review.
 - Required forfeiture of all property (real and personal) used in a transaction (or attempted transaction) to commit (or facilitate the commission of) a trafficking violation (other than a misdemeanor). Proceeds traceable to the violation would also be subject to forfeiture. An owner's property interest would not be subject to forfeiture if the owner establishes that the violation was committed without the owner's knowledge or consent.
 - Terminated the Federal share for any outreach "recruitment activities."
 - Removed redundant requirements that USDA establish standards for efficient and effective program administration.
 - Provided a State option to use a PA household's food stamp benefits to subsidize a job for a household member in the State's Work Supplementation or Support Program (WSSP). The household would not receive an allotment for the period during which the member participates in WSSP.
 - Permitted USDA to waive Food Stamp Act requirements to conduct pilot or experimental projects that are consistent with the program's goal of providing food to increase the level of nutrition of needy families.
 - Limited waiver projects that reduce benefits more than 20% for more than 5% of households in the area subject to the project to (1) including no more than 15% of the State's food stamp caseload and (2) running for a maximum of 5 years (unless USDA approves an extension).
 - Waiver projects must be evaluated and limited to specific time periods.
 - Prohibited waivers that would cash-out benefits (beyond those approved prior to enactment), substantially transfer program funds to other public assistance programs, or use food stamp funds for any purpose other than food, program administration, or E&T.
 - Prohibited waivers that would be within many specific provisions of the Food Stamp Act.
 - Prohibited waivers that increase shelter deductions for households with no out-of-pocket housing costs or costs that are small relative to income.
 - Prohibited waivers that absolve States from acting with reasonable promptness on substantial reported changes in income or household size (but not deduction changes).
 - Required USDA to approve, deny, or request clarification of waivers within 60 days or legal waivers will be deemed approved.
 - Provided an option for States in which at least 50% of the food stamp caseload in the

summer of 1993 also received AFDC to provide certain households with cash in lieu of food stamps.

- In such States specified in the foregoing paragraph, provided a household option to receive cash food stamp benefits if an adult member elects to participate and (1) has worked in unsubsidized employment at least the last 90 days, earned at least \$350 per month for at least the last 90 days, and is continuing to do so, and (2) is eligible for Title IV-A benefits or becomes ineligible because of earnings.
- Required States to provide USDA a written evaluation (content determined by States with USDA's concurrence) of the impact of cash in lieu of food stamp assistance after operating 2 years under this provision.
- Required States that select the foregoing cash in lieu of food stamps option to increase benefits to compensate for State or local sales taxes on food purchases and to pay the cost of increased benefits.
- Reauthorized the FSP through FY 2002.
- Allowed States to operate a Simplified Food Stamp Program (SFSP) throughout the State or in political subdivisions of a State for households in which all members receive Title IV-A. Under SFSPs, food stamp benefits would be determined using Title IV-A rules and procedures, regular FSP rules and procedures, or a combination of the two. Non public assistance (NPA) households cannot be included in SFSPs and mixed NPA/public assistance households can only be included with USDA approval.
- To operate a SFSP, the State must have a plan for operation of the program approved by USDA. USDA is required to approve plans that (1) comply with certain rules of the Food Stamp Act, and (2) would not increase Federal costs for any fiscal year.
- SFSPs must comply with the central statutory FSP requirements.
- Required USDA to study (in consultation with the National Academy of Sciences and the Center for Disease Control and Prevention) the use of food stamps to purchase vitamins and minerals.
- Included statements that States cannot be prohibited from sanctioning adults in food stamp households who fail to ensure that their minor dependent children attend school as required by State law or are themselves 21-50 years old and do not have, or are not working toward, a high school diploma or recognized equivalent unless such adult has been determined medically unable to do so.
- Made ineligible individuals convicted of Federal or State felonies for possession, use, or distribution of illegal drugs after the date of enactment.
- Did not consider individuals disqualified under the foregoing paragraph to be household members but attributed their income and resources to their households.
- Required applicants to state, in writing, whether any household member has been convicted of drug felonies.
- Permitted States to opt out of the provision, denying benefits for certain drug-related convictions, by enacting laws.
- Prohibited increasing benefits to individuals whose income decreases due to fraud under a Federal, State, or local means-tested welfare or public assistance program.
- Defined qualified aliens as:
 - Aliens lawfully admitted for permanent residence;
 - Certain aliens granted asylum;

- Certain refugees;
 - Certain aliens paroled for a period of at least 1 year;
 - Certain aliens whose deportation is being withheld; and
 - Certain aliens granted conditional entry.
- Made aliens who are not qualified aliens ineligible for the Food Stamp Program.
 - Limited food stamp eligibility of qualified aliens to those that meet the following exceptions:
 - For 5 years, certain refugees, certain aliens granted asylum, and aliens whose deportation is withheld;
 - Permanent resident aliens who have worked for 40 qualifying quarters (for any quarters worked after January 1, 1997, aliens cannot have received any Federal means-tested public benefit); and
 - Veterans with honorable discharges not related to their alien status and aliens on active duty or the spouses or unmarried dependent children of such veterans or aliens.
 - Grandfathered currently-participating aliens until their recertifications or 1 year after the date of enactment, whichever is first.
 - Required deeming an alien's sponsor's income and resources and the sponsor's spouse's income and resources to the alien until the alien becomes a citizen or works 40 qualifying quarters during which he/she does not receive any Federal mean-tested public benefit.
 - Required States to review the deemed income and resources each time an alien reapplies.
 - Made the deeming requirement effective for any eligibility determination or redetermination after enactment.
 - Required States to have in effect by 24 months after regulations are promulgated by DOJ (after consultation with DHHS) systems that can verify that alien applicants are qualified to receive Federal public benefits.

P.L. 104-208
The Omnibus Consolidated Appropriations Act
September 30, 1996

- Amended the alien provisions of P.L. 104-193 by making the food stamp ineligibility of currently participating aliens effective April 1, 1997; expanding the definition of “qualified alien” to include certain battered aliens; and adding an exception to the deeming requirement for certain destitute aliens and certain aliens who have been battered/subjected to extreme cruelty in the U.S. by spouses, parents, or other household members.

P.L. 105-18
1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters, and for Overseas Peacekeeping Efforts, Including Those in Bosnia
June 12, 1997

- Amended Section 7 of the Food Stamp Act to allow a State agency, with the approval of the Secretary, to issue benefits to an individual who is ineligible to participate in the FSP solely as a result of Section 6(o)(2) of the Act (ABAWD's) or Section 402 or 403 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (noncitizen restrictions). The State agency must pay the Secretary the value of the benefits, and the costs of printing, shipping, and redeeming coupons, and other Federal costs incurred in providing the benefits.

P.L. 105-33

The Balanced Budget Act of 1997

August 5, 1997

- Permits State agencies to exempt from the Section 6(o) work requirements for ABAWDs up to 15 percent of a State's "covered individuals." "Covered individuals" are those ABAWDs who are not: a) excepted; b) covered by a waiver; c) complying with the work requirement; or d) in their first or second three months of eligibility.
- The 15 percent exemption will amount to an average monthly number of exemptions for ABAWDs that USDA will assign to States each fiscal year.
- Beginning in FY 1999, the 15 percent exemption criteria will also reflect changes in the State's entire caseload and changes in the proportion of the FSP caseload covered by the ABAWD related waivers. USDA will also adjust the number of exemptions assigned for a current fiscal year based on the number of exemptions granted by the States in the preceding year.
- Provides additional E&T funding to encourage States to create work slots primarily for ABAWDs.
- Retains the current statutory E&T allocation amounts and adds an additional \$131 million each fiscal year through 2001. In fiscal year 2002 the additional amount drops to \$75 million:
 - FY 1998 \$81 million+\$131 million=\$212 million
 - FY 1999 \$84 million+\$131 million=\$215 million
 - FY 2000 \$86 million+\$131 million=\$217 million
 - FY 2001 \$88 million+\$131 million=\$219 million
 - FY 2002 \$90 million+\$ 75 million=\$165 million
- Allocated funds remain available until expended.
- State agencies must use at least 80% of allocated Federal funds each fiscal year to serve ABAWDs who are placed in and comply with a qualifying work, training, or workfare program.
- The Secretary must monitor State agencies' expenditures of E&T funds, including the cost of individual components. In order to receive the additional E&T funds allocated to it under the Balanced Budget Agreement, each State agency must spend the same amount of State money it spent in fiscal year 1996 to administer its E&T program and its optional workfare program (if applicable).
- Adds Cuban and Haitian entrants to the list of aliens eligible for food stamps in section 402

and to the list of qualified aliens in section 431. They are eligible for 5 years from the date granted status as a Cuban-Haitian entrant.

- Adds a new section 436 to the PRWORA to provide that aliens who are otherwise ineligible for food stamps are not made eligible for food stamps because they receive SSI.
- Adds Amerasian immigrants to the list of aliens eligible for means tested public benefits.
- Adds a qualifying clause to the description of the veteran eligibility requirement to apply a minimum active duty service requirement. The veteran must have an honorable discharge, not on account of alienage, and must fulfill specific active-duty service requirements.
- Adds eligibility for the spouse of a deceased veteran or individual on active duty.
- Expands the definition of a veteran to include military personnel who die during active duty service and certain Filipinos.
- Contains a “sense of the Congress” statement that Hmong and other Highland Lao veterans who fought with U.S. forces during the Vietnam conflict and have lawfully been admitted to the U.S. for permanent residence should be considered veterans for purposes of continuing certain welfare benefits consistent with the exceptions provided other noncitizen veterans under the PRWORA. That would make them eligible for food stamps.
- Amends the battered alien provision to require that the agency providing the benefits (not the Attorney General) make the determination regarding the connection between the battery and the need for benefits.
- Requires the Attorney General to issue guidance concerning the definition of “battery” and “extreme cruelty” and the standards and methods to be used for determining whether a substantial connection exists between the battery and the need for benefits.
- Adds the alien child of the battered parent as a qualified alien and exempts that child from the alien deeming provisions.
- Provides that not later than 90 days after the enactment of the Welfare Reform Technical Amendments Act of 1997 the Attorney General, in consultation with the Department of Health and Human Services, shall issue interim verification guidance and shall issue regulations by which States or local governments can verify alien eligibility.
- Authorizes the Attorney General to disclose information to Federal, State, and local authorities providing benefits to be used to determine the eligibility of battered aliens.
- Authorizes SSA to disclose quarters of coverage information concerning an alien.
- Adds clarification to provide that the quarters of coverage of a parent can be credited to a child if the quarters were worked before the date on which the alien attains age 18. This would allow quarters worked before a child was born to be credited to the child.

P.L. 105-185

Agriculture Research, Extension, and Education Reform Act

June 23, 1998

- Reduces the additional amount available in fiscal year 1999 for employment and training programs, from \$131 million to \$31 million.
- Reduces the amount available in fiscal year 2000 for employment and training programs, from \$131 million to \$86 million.

- Reduces administrative funding to State agencies by an amount that reflects the FSP administrative costs included in their TANF block grant.
- Extends the food stamp benefits' eligibility period for refugees and asylees from 5 to 7 years.
- Restores food stamp benefits' eligibility to blind or disabled aliens (using the Food Stamp Act definition of disability - section (3)(r), who were lawfully residing in the U.S. on August 22, 1996.
- Restores food stamp benefits' eligibility to cross-border Native Americans.
- Restores food stamp benefits' eligibility to any individual who, on August 22, 1996: (1) was lawfully residing in the U.S.; and (2) was 65 years of age or older.
- Restores food stamp benefits' eligibility to any individual who: (1) on August 22, 1996 was lawfully residing in the U.S.; and (2) is under the age of 18.
- Makes eligible for food stamp benefits, any individual and their spouses and dependent children who are: (1) lawfully residing in the U.S.; and (2) member or members of a Hmong or Highland Laotian tribe at the time that the tribe aided U.S. personnel during the Vietnam War.
- Exempts the Hmong and Highland Laotians described above from the 5-year waiting period before becoming eligible for food stamp benefits.

P.L. 105-362

Federal Reports Elimination Act of 1998

November 10, 1998

- Eliminated the requirement to submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate setting forth the Secretary's best estimate of the second preceding month's expenditure, and whether supplemental appropriations will be needed through the end of the fiscal year.

P.L.106-171

Electronic Benefit Transfer Interoperability and Portability Act of 2000

February 11, 2000

- Amends the Food Stamp Act of 1977 to provide for a national standard of interoperability and portability applicable to electronic food stamp benefit transactions.
- Requires systems that provide for the electronic issuance, use, and redemption of coupons in the form of electronic benefit transfer cards to be interoperable, and food stamp benefits to be made portable, among all States not later than October 1, 2002.
- States whose costs of achieving interoperability and portability shall not be borne by participating wholesale or retail food concerns.
- Secretary to pay 100 percent of the costs incurred by a State agency for switching and settling interstate transactions: 1) incurred after the date of enactment and before October 1,

2002, if the State uses the standard of interoperability and portability adopted by a majority of State agencies; and 2) incurred after September 30, 2002, if the State uses the uniform national standard of interoperability and portability adopted by a majority of State agencies. Total amount paid to State agencies for each fiscal year not to exceed \$500,000.

P.L.106-387

Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act of 2001

October 28, 2000

- Food Stamp Employment and Training (E&T) programs are appropriated \$194 million, a reduction of \$25 million from the amount authorized in section 16(h)(1)(a) of the Food Stamp Act. (NOTE: This reduction will not affect States' FY 2001 E&T spending because carry-over funds from past years are available to make up the difference.)
- For FY 2001 the Maximum Excess Shelter Expense Deductions are increased to \$340, \$543, \$458, \$399, and \$268 per month, respectively, for the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands. For FY 2002 and beyond, the deduction will be as adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers.
- The Food Stamp Vehicle Allowance is changed to allow States to substitute their TANF vehicle rules for the food stamp vehicle rules, where doing so would result in a lower attribution of resources.
- The amount of the FY 2001 block grant to Puerto Rico is changed from the \$1,301,000,000 authorized in section 19(a)(1)(A) of the Food Stamp Act to \$1,268,000,000, as adjusted by the change in the Food at Home series of the Consumer Price Index for All Urban Consumers, for the most recent period ending in June. For FY 2002, the grant will equal the FY 2001 amount, as adjusted by the percentage by which the thrifty food plan is adjusted for FY 2002.
 - The Act appropriates \$8 million which the Department can use to continue and expand its efforts to improve access to the FSP and make eligible individuals aware of vital nutrition assistance. An additional \$2 million is appropriated for nutrition education initiatives aimed at helping FSP participants expand their nutritional knowledge, make healthy food choices, and develop thrifty food shopping skills.

P.L. 107-171

Farm Security and Rural Investment Act of 2002

May 13, 2002

- Allows States, at their option, to treat legally obligated child support payments to a non-household member as an income exclusion rather than a deduction (as provided in current law).

- Allows a State option to exclude certain types of income that are not counted under the State's Temporary Assistance for Needy Families (TANF) cash assistance or Medicaid programs. Under this provision, States are allowed to exclude: educational assistance not counted under Medicaid; State complementary assistance not counted under section 1931 of Medicaid; and any type of income not counted under section 1931 of Medicaid or TANF except for wages or salaries, benefits from major assistance programs, regular payments from a government source (such as unemployment benefits or general assistance), worker's compensation, child support payments, or other types as determined by USDA through regulations that are essential to fair determinations of food stamp eligibility and benefit amounts.
- Replaces the current, fixed standard deduction with a deduction that varies according to household size and is adjusted annually for cost-of-living increases. For households in the 48 contiguous States and DC, AK, HI and VI, it sets the deduction at 8.31 percent of the applicable net income limit based on household size. No household would receive an amount less than the current deduction (\$134, \$229, \$189 and \$118 respectively) or more than the standard deduction for a household of six. Guamanian households receive a slightly higher deduction.
- Allows States to simplify the Standard Utility Allowance (SUA) if the States elect to use the SUA rather than actual utility costs for all households. For these States, it eliminates the current requirement to prorate the SUA when households share living quarters and it allows the use of the SUA for households in public housing with shared meters that are only charged for excess utility costs.
- Allows States to use a standard deduction from income of \$143 per month for homeless households with some shelter expenses.
- Allows States to disregard reported changes in deductions during certification periods except for changes associated with a new residence or earned income until the next recertification.
- Increases the resource limit for households with a disabled member from \$2,000 to \$3,000 consistent with the limit for households with an elderly member. It also provides a State option to exclude certain types of resources that the State does not count for TANF or Medicaid (section 1931). Under this option, States could not exclude cash, licensed vehicles, amounts in financial institutions that are readily available, or other resources as determined by USDA through regulations that are essential to fair determinations of food stamp eligibility and benefit amounts.
- Allows USDA to approve alternate methods for issuing food stamp benefits during disasters when reliance on electronic benefit transfer systems (EBT) is impracticable.
- Allows States to extend semi-annual reporting of changes to all households not exempt from periodic reporting.
- Eliminates the requirement that Federal costs for electronic benefit transfer systems cannot exceed the costs of the paper systems they replace.
- Requires USDA to conduct pilot projects to test the feasibility of issuing standardized rather than individual allotments to residents of small group facilities for the disabled, shelters for battered women/children or the homeless, and drug or alcoholic treatment centers.
- Allows group homes and institutions to redeem EBT benefits directly through banks in

areas where EBT has been implemented rather than going through authorized wholesalers or other retailers.

- Effective 18 months following enactment, requires State agencies that have a Web site to post applications on these sites in the same languages that the State uses for its written applications.
- Permits States to extend from the current 3 months up to 5 months the period of time households may receive transitional food stamp benefits when they lose TANF cash assistance. A household would not be eligible for the extension if it was losing TANF cash assistance because of a sanction, was disqualified from the Food Stamp Program, or is in a category of households designated by the State as ineligible for transitional benefits. The provision also extends any certification period through the end of the transitional period.
- Authorizes up to \$5 million of appropriated funds for each of fiscal years 2003 through 2007 to pay the full costs for projects to improve access for food stamp eligible households or to develop and implement simplified application and eligibility systems. Projects may consist of: Coordinating food stamp application and eligibility processes with other assistance programs; establishing alternative methods of applying that use the telephone and internet or other system improvements; developing materials and other resources to increase program access; improving methods for informing eligible households about the program; or other activities that USDA determines are appropriate.
- Allows the Secretary to use mailing methods other than certified mail when notifying retailers of adverse action so long as the method provides evidence of delivery.
- Makes substantial changes to the QC system that measures States' payment accuracy in issuing food stamp benefits. Sanctions are limited to States are not penalized with a 95 percent probability that their error rate exceeds 105 percent of the national average for two consecutive years. If a State's error rate exceeds the threshold for two years in a row, a liability will be established that is equal to 10 percent of the cost of errors above 6 percent. Of that amount, USDA may waive all or part, and/or require up to 50 percent to be reinvested in corrective action programs and/or require up to 50 percent to be set aside for possible recovery in the third year. If a State's error rate exceeds the threshold for three consecutive years, the State is responsible for paying the second year at-risk amount and USDA will again require up to 50 percent of the liability amount to be reinvested in corrective action programs and up to 50 percent be set aside for possible recovery in the following year if the State again exceeds the threshold for that year.
- Extends the date for completing QC reviews and resolving State/Federal differences to May 31st and extends the date for announcing QC error rates to June 30th.
- For FY 2003, the current enhanced funding system that is based on error rates is replaced with a performance system that will award \$48 million in bonuses each year to States with high or improved performance for actions taken to correct errors, reduce the rates of error, improve eligibility determinations, or other activities that demonstrate effective administration as determined by USDA.
- Authorizes for each of fiscal years 2002 through 2007 \$90 million for unrestricted E&T funding and up to \$20 million in additional funding for States that pledge to offer work slots to unemployed, childless adults who are subject to the 3-month time limit for food stamps. The provision also eliminates: 1) the requirement that 80 percent of unmatched funds must be used for able-bodied adults with dependents; 2) the requirement that States

maintain their 1996 E&T funding levels to access additional funds; and 3) the limits on the amounts that USDA will reimburse States for work activities. Prior year funds are rescinded on enactment. Effective on enactment, it eliminates the \$25 per month cap that USDA will reimburse States for transportation and other work costs incurred by participants in E&T programs.

- Reauthorizes Food Stamp and Food Distribution Program on Indian Reservations programs for a 5-year period from FY 2003 through FY 2007.
- Clarifies that USDA may exercise its waiver authority to conduct Food Stamp Program research through grants to public or private organizations.
- Consolidates the block grant for Puerto Rico and American Samoa beginning in FY 2003 and provides \$1.401 billion in consolidated funding for FY 2003 with annual adjustments through FY 2007 based on the thrifty food plan. Of these funds, 99.6 percent is available to Puerto Rico to pay 100 percent of the costs to provide nutrition assistance under its program and 50 percent of the administrative costs and 0.4 percent is available for American Samoa to pay 100 percent of costs for its nutrition assistance program. Puerto Rico may spend no more than \$6 million of its FY 2002 funds in FY 2002 or FY 2003 on automation projects. Beginning in FY 2002, both Puerto Rico and American Samoa may carry over not more than 2 percent of their funding from one fiscal year to the next.
- Restores food stamp eligibility to qualified aliens who are otherwise eligible AND who: 1) effective FY 2003 are receiving disability benefits regardless of date of entry (current law requires them to have been in the country on 8/22/96); 2) effective 2004 and beyond are under 18 regardless of date of entry (current law limits eligibility to children who were in the country on 8/22/96); or 3) effective April 2003 have lived in the U.S. continuously for 5 years as a qualified alien beginning on date of entry. Effective FY 2004, the provision also eliminates the deeming requirements for immigrant children that count the income and resources of the immigrant's sponsor when determining food stamp eligibility and benefit amounts for the immigrant child.

P.L. 108-447

Consolidated Appropriations Act of 2005

December 8, 2004

- Excludes from household income special pay (hazardous duty or combat pay) received by military personnel deployed to a designated combat zone if that pay was not received immediately prior to serving in the combat zone. This was part of the President's budget request.
- Grants a \$3 billion benefit reserve.

P.L. 109-97

Agriculture, Rural Development, Food and Drug Administration, And Related Agencies Appropriations Act of 2006

November 10, 2005

- Continued the exclusion of special pay received by military personnel deployed to a designated combat zone if that pay was not received immediately prior to serving in the combat zone. This was part of the President's budget request.
- Grants a \$3 billion benefit reserve.

P.L. 109-250
Returned Americans Protection Act of 2006
July 27, 2006

- Allows State Food Stamp agencies to access the National Directory of New Hires (NDNH) to verify income and wage information for food stamp recipients.

P.L. 110-246
The Food, Conservation, and Energy Act of 2008
June 18, 2008

- Renames the Food Stamp Program the "Supplemental Nutrition Assistance Program," or SNAP and renames the Food Stamp Act of 1977 the Food and Nutrition Act of 2008, effective October 2008.
- Excludes combat-related military pay from consideration as income when determining SNAP eligibility and benefit levels if benefit levels of the additional pay is a result of deployment to or service in a combat zone.
- Raises the minimum standard deduction for households with one to three members from \$134 to \$144 for Fiscal Year (FY) 2009 and indexes it to inflation starting in FY 2010.
- Eliminates the cap on the deduction for dependent care expenses and allows families eligible for the deduction to subtract the entire amount of dependent care expenses when calculating eligibility and benefit levels.
- Adjusts the current food stamp asset limits by indexing the limits to inflation, rounded down to the nearest \$250 beginning October 1, 2008. Adjustments are based on the unrounded amount for the prior 12- month period.
- Excludes all tax-preferred education accounts and retirement accounts from countable resources in determining SNAP eligibility. It excludes any funds in a plan, contract, or account, described in sections 401(a), 403(b), 408, 408A, 457(b), and 501(c)(18) of the Internal Revenue Code of 1986 and the value of funds in a Federal Thrift Savings Plan account as provided for in 5 U.S.C. 8439.
- Increases the minimum benefit for 1- and 2- person households from \$10 to 8 percent of the cost of the maximum SNAP allotment for a household containing 1 member. This maximum may vary for outlying States based on the applicable maximum allotment. Since the maximum SNAP allotment is indexed to inflation, the minimum benefit will increase with annual increases in the maximum allotment.
- Prohibits State agencies from issuing paper coupons as of the date of enactment, June 18,

2008. As of the date of enactment, Electronic Benefit Transfer (EBT) cards are the sole method of benefit delivery.

- Makes Employment and Training (E&T) funding allocations to States available for fifteen (15) months rather than until expended.
- Allows States to place all households on simplified reporting by eliminating the prohibition on periodic reporting for elderly, disabled, homeless, migrant and seasonal farm worker households.
- Allows State agencies to provide transitional benefits to households that cease to receive cash assistance under a State-funded public assistance program.
- Allows States to use E&T funding for job retention benefit services for up to 90 days after individuals who receive E&T services gain employment.
- Allows States to establish a system by which an applicant may sign an application through a recorded verbal assent over the telephone.

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The American Recovery and Reinvestment Act of 2009 (ARRA)

February 17, 2009

- Benefit levels for FY 2010 and subsequent years will be based on the greater of 13.6 percent of the value of the TFP in June of 2008 and the value of the TFP in June 2009.
- Increased the maximum benefit under SNAP using a 13.6 percent increase of the June 2008 value of the Thrifty Food Plan (TFP), effective for April 2009 issuance for the remainder of FY 2009.
- Benefits overissued because of implementing the adjusted benefit levels must be excluded when calculating the amount of a claim against a household, effective April 1 to September 30, 2009.
- Tolerance level of \$25 stipulated by 275.12(f)(2) shall be raised to \$50 beginning April 1, 2009 and continue through September 30, 2009.
- Authorizes \$145 million to State agencies for FY 2009 for State administrative costs for administering SNAP. \$150 million authorized for FY 2010. 75 percent of the amount available for each fiscal year will be allocated to States based on each State's respective share of households that participate in SNAP for the most recent 12 month period. The remaining 25 percent will be allocated to States based on the increase in the number of households that participate over the most recent 12 month period and adjusted for participation in disaster programs.
 - Suspends time limits for ABAWDs unless the State agency elects to maintain workfare requirements
- Provides that as of October 1, 2010, for the purposes of Section 6(o) of the Food and Nutrition Act of 2008 State agencies shall disregard any period during which an individual received benefits under the SNAP prior to October 1, 2010.