

Senate Amendment

Conference Agreement

No provision.

300

Present Law

House Bill

B. Comparable Work Requirements

As noted above, individuals are exempt from food stamp employment/training requirements if they are subject to and complying with an AFDC or unemployment compensation work/training requirement, and failure to comply with such an AFDC or unemployment compensation requirement is treated as failure to comply with food stamp employment/training requirements, if the requirement is "comparable." [Sec. 6(d)(2)]

C. New Work Requirement

As noted above, non-exempt individuals are ineligible for food stamps if they refuse to participate in an employment/training program when required to do so by the State. [Sec. 6(d)(1)]

Requires that failure to comply with an TANF or unemployment compensation system work/training requirement be treated as failure to comply with a food stamp employment/training requirement, whether or not the requirement is "comparable." (p. 223)

Deletes provisions of law barring eligibility to those refusing to participate in State-established employment/ training programs. (p. 223)

In their place, adds a new work requirement: non-exempt recipients (see below) would be disqualified if they are not employed a minimum of 20 hours a week or are not participating in the work program newly established under the House bill (see below) within 90 days of certification of eligibility. (p. 223)

Allows individuals who have been disqualified under the new work requirement to re-establish food stamp eligibility if they become exempt (under the rules noted immediately below), become employed at least 20 hours a week during any consecutive 30-day period, or participate in a work program (see below). (p. 225)

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Same as the House bill. (p. 252)

Adds a new work requirement: non-exempt persons (see below) would be ineligible if, during the preceding 12-month period, they received food stamps for 6 months or more while not working 20 hours or more a week (averaged monthly) or participating in and complying with a work/training program (see *note* regarding exemptions below) for at least 20 hours a week. (p. 256)

No directly comparable provision.

Present Law

House Bill

Exempt from the new requirement would be: (1) those under 18 or over 50, (2) those certified by a physician as physically or mentally unfit for employment, (3) parents or other household members responsible for the care of a dependent, (4) those participating a minimum of 20 hours a week in (and complying with the requirements of) a Job Training Partnership Act (JTPA) program, a Trade Adjustment Assistance Act training program, or a State or local government employment or training program meeting Governor-approved standards, and (5) those otherwise exempt from work registration and job search rules (see present law description above, pg. 16). (p. 224)

Upon a State's request, allows the Secretary to waive application of the new work requirement for some or all individuals in all or part of a State if the Secretary determines that the area (1) has an unemployment rate over 10% or (2) does not have sufficient jobs to provide employment for those subject to the new requirement. The Secretary would be required to report to the Agriculture Committees the basis for any waiver based on lack of sufficient jobs. (p. 225)

Senate Amendment

Conference Agreement

Exempt from the new requirement would be: (1) those under 18 or over 50, (2) those medically certified as physically or mentally unfit for employment, (3) parents or other household members responsible for the care of a dependent child, and (4) those who are otherwise exempt from work registration and job search rules (see present law description above, pg. 16). (p. 257)

[Note: The new work requirement could be met by those participating in and complying with (for 20 hours a week or more) a JTPA program, a Trade Adjustment Assistance training program, or a State/local employment or training program meeting Governor-approved standards (including a food stamp program employment/training activity other than job search or job search training).]

Same as the House bill, except that the unemployment rate threshold is 8% and the Secretary must report the basis for *any* waiver. (p. 258)

Provides for a transition to the new work requirement. Prior to October 1, 1996, administrators would not "look back" a full 12 months in determining whether a recipient had been receiving food stamps and not meeting the new requirement; they would look back only to October 1, 1995. (p. 259)

Present Law

House Bill

D. Disqualification

[Note: See present law description above. In addition, disqualification periods for failure to fulfill work requirements are (1) 2 months or until compliance (whichever is first) for most failures and (2) 90 days in case of a voluntary quit.]

No comparable provisions.

[Note: The House bill creates new disqualification penalties for those covered by its new work requirement.]

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Rewrites and adds to rules governing disqualification for violation of work and employment/training requirements (other than those for the new work requirement noted above). (p. 236)

In addition to existing provisions for disqualification (e.g., job refusal, failure to participate in an employment/training program), makes 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 household) 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). (p. 238)

Establishes a new *household* ineligibility rule: if any individual who is head of household is disqualified under a work rule, the entire household would, at State option, be ineligible for the lesser of the duration of the individual's ineligibility or 180 days -- as determined by the State. (p. 238)

Present Law

House Bill

E. Caretaker Exemption

Parents or other household members with responsibility for the care of a dependent child under age 6 or of an incapacitated person are exempt from food stamp work rules. [Sec. 6(d)(2)]

No provision.

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Establishes new mandatory minimum work-rule disqualification periods for individuals. For the first violation, individuals would be ineligible until the *later* of the date they fulfill work rules, for 1 month, or a period (determined by the State) not to exceed 3 months. For the second violation, individuals would be ineligible until the *later* of the date they fulfill work rules, for 3 months, or a period (determined by the State) not to exceed 6 months. For a third or subsequent violation, individuals would be ineligible until the *later* of the date they fulfill work rules, 6 months, a date determined by the State, or (at State option) permanently. These disqualification periods also would apply to those failing to meet any workfare requirements. (p. 239)

In establishing good cause, voluntary quits, and reduction of work effort, the Secretary would determine the meaning of the terms. States would determine the meaning of other terms and the procedures for making compliance decisions, but could not make a determination that would be less restrictive than a comparable one under the State's family assistance block grant program. (p. 241)

States would be required to include the standards and procedures they use in making work-rule disqualification/compliance decisions in their State plan. (p. 297)

Permits States to lower the age at which a child "exempts" a parent/caretaker from 6 to not under the age of 1. (p. 244)

Present Law

House Bill

F. Work and Employment/Training Programs

States must operate employment and training programs for non-exempt food stamp recipients and place at least 15% of those covered in a program component. Exempt are those listed above and those States opt to exempt under Federal rules. Program components can range from job search or education activities to work experience/training and "workfare" assignments. [Sec. 6(d)(4)]

Work experience/training program components must limit assignments to projects serving a useful public purpose, use the prior training/experience of assignees, not provide work that has the effect of replacing others, and provide the same benefits and working conditions provided to other comparable employees. [Sec. 6(d)(4)(B)]

States and political subdivisions also may operate workfare programs under which non-exempt recipients may be required to perform work in return for the minimum wage equivalent of their household's monthly food stamp allotment. In general, those exempt are those listed above (p. 16). [Sec. 20]

Workfare assignments may not have the effect of replacing or preventing the employment of others and must provide the same benefits and working conditions provided to other comparable employees. [Sec. 20(d)]

Deletes the requirement for States to operate employment and training programs and current provisions for work experience/training and workfare programs. (p. 223)

Instead, requires the Secretary to permit any State that applies and submits a plan in compliance with the Secretary's guidelines to operate a work program for food stamp recipients subject to the new work requirement (see above) in the State or any political subdivision. A State's work program would require those accepting an offer of a work position in order to maintain food stamp eligibility to perform work on the State or local jurisdiction's behalf, or on behalf of a private nonprofit entity. The Secretary's guidelines would be required to allow States and localities to operate a work program that is consistent and compatible with similar programs they might operate. (p. 223 and p. 226)

Requires that, in order to be approved, a State's work program provide that participants work no more than the minimum wage equivalent of their household's monthly food stamp benefit (i.e., the number of hours equivalent to their household's monthly benefit divided by the minimum wage). (p. 227)

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Revises the existing requirements for State-operated employment/training programs for food stamp recipients:

--makes clear the work experience is a purpose of employment/training programs;

--requires that each component of an employment/training program be delivered through a "statewide workforce development system," unless the component is not available locally;

--expands the existing State option to apply work rules to applicants at application to all work requirements, not only job search;

--removes specific rules governing job search components (i.e., tied to those for the AFDC program);

--removes provisions for employment/training components related to work experience requiring that they be in public service work and use (to the extent possible) recipients' prior training and experience;

--removes specific Federal rules as to States' authority to exempt categories and individuals from employment/training requirements;

Present Law

House Bill

The total hours of work required of a household under an employment/training program (including workfare) cannot in any month exceed the minimum wage equivalent of the household's monthly food stamp benefit. The total hours of participation in an employment and training program required of any household member cannot in any month exceed 120 hours (when added to other work). And, workfare hours (when added to other work) cannot exceed 30 hours a week for a household member. [Sec. 6(d)(4)(F) and Sec. 20(c)]

Under employment and training programs for food stamp recipients, States must provide or pay for transportation and other costs directly related to participation (up to \$25 a month for each participant) and necessary dependent care expenses (in general, up to \$175 or \$200 a month for each dependent, depending on the dependent's age). Under workfare programs, States must reimburse participants for transportation and other costs directly related to participation (up to \$25 a month for each participant). [Sec. 6(d)(4)(I) and Sec. 20(d)(3)]

Limits the degree to which a State or locality can assign participants to replace other workers. No State/locality could replace an employed worker with a work program participant, but participants could be placed in (1) new positions, (2) positions that became available during the normal course of business, (3) positions that involve performing work that would otherwise be performed on an overtime basis, or (4) positions that became available by shifting current employees to an alternate position. (p. 223 and p. 226)

[Note: States would receive Federal cost sharing for work program participant expenses (see below).]

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--removes the requirement to serve volunteers in employment/training programs;

--removes the requirement for "conciliation procedures" for resolution of disputes involving participation in an employment or training program;

--limits employment/training funding provided by the food stamp program for services to AFDC or family assistance block grant funding recipients to the amount used by the State for AFDC recipients in FY1995; and

--removes Federal performance standards on States for employment/training programs for food stamp recipients. (p. 244)

Present Law

House Bill

**G. Funding Work and
Employment/Training Programs**

To support employment and training programs for food stamp recipients, States receive a formula share of \$75 million a year (based partially on their share of food stamp recipients not exempt from work registration and employment/training requirements and partially on their share of those placed in employment/training program components). Minimum State annual allocations are \$50,000.

In addition to its portion of the \$75 million annual grant, each State is entitled to (1) 50% of any additional costs incurred, (2) 50% of any transportation or other participant costs paid or incurred up to half of \$25 a month for each participant, and (3) 50% of any dependent care costs paid or incurred up to half of certain limits (generally, \$175/\$200 a month for each dependent, depending on the dependent's age). [Sec. 16(h)]

To support work programs for food stamp recipients, requires the Secretary to allocate among States and localities operating them \$75 million a year, based on their share of recipients subject to the new work requirement (see above). Minimum State allocations would be \$50,000. (p. 228)

Requires States to notify the Secretary as to their intention to operate a work program, and requires the Secretary to reallocate unclaimed portions of the \$75 million annual grant to other States, as the Secretary deems appropriate and equitable. (p. 228)

Requires that, in addition to its portion of the \$75 million annual grant, the Secretary pay each State (1) 50% of any additional costs incurred and (2) 50% of any transportation or other participant costs paid or incurred up to half of \$25 a month for each participant. (p. 229)

Allows the Secretary to suspend or cancel some or all payments made to States for the work program, or withdraw approval, on a finding of noncompliance. (p. 229)

To support employment/training programs for food stamp recipients, requires the Secretary to "reserve for allocation" to States: \$77 million for FY1996, \$80 million for FY1997, \$83 million for FY1998, \$86 million for FY1999, \$89 million for FY2000, \$92 million for FY2001, and \$95 million for FY2002. Allocations would be based on a "reasonable formula" (determined by the Secretary) that gives consideration to States' shares of the population affected by the new work requirement (see above). Minimum State allocations would be \$50,000. (p. 248)

Requires reallocations as in the House bill. (p. 249)

Continues existing provisions for payments for additional costs, but adds explicit permission for a 50% Federal share of State case management costs. (p. 250)

Present Law

House Bill

H. Conforming Amendment

There is authorized a demonstration project similar to the new work requirement in the House bill; it has not been implemented.
[Sec. 17(d)]

Deletes authorization for a demonstration project similar to the new work requirement in the House bill. (p. 226 and p. 230)

10. COMPARABLE TREATMENT OF DISQUALIFIED INDIVIDUALS (Sec. 555 of House bill, Sec. 314 of Senate amendment)

[Note: See item 4C.]

Requires that individuals who have been disqualified for noncompliance with requirements under a TANF program not be eligible to participate for food stamps during the disqualification period. (p. 230)

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Makes several technical and conforming amendments to employment and training provisions. (p. 244)

If an individual is disqualified for failure to perform an action required under a Federal, State, or local welfare/public assistance program, permits States to impose the same disqualification for food stamps. (p. 251)

If a disqualification is imposed under the family assistance block grant, permits States to use the family assistance block grant's rules and procedures to impose the same disqualification for food stamps. (p. 251)

Permits individuals disqualified from food stamps because of failure to perform a required action under another welfare/public assistance program to apply for food stamps as new applicants after the disqualification period has expired -- except that a prior disqualification under food stamp work requirements must be considered in determining eligibility. (p. 251)

Requires States to include the guidelines they use in carrying out food stamp disqualification for failure to perform a required action in another welfare/public assistance program in their State plans. (p. 252)

Present Law

House Bill

11. ENCOURAGE ELECTRONIC BENEFIT-TRANSFER SYSTEMS (Secs. 556 and 802 of House bill, Sec. 320 of Senate amendment)**A. Regulation E**

The Federal Reserve Board has ruled that, as of March 1997 and with some minor modifications, its "Regulation E" will apply to electronic benefit transfer systems. Regulation E provides certain protections for consumers using cards to access their accounts. It limits the liability of cardholders for unauthorized withdrawals (to \$50, if notification is made) and requires periodic account statements and certain error resolution procedures. [*Federal Register* of Mar. 7, 1994]

B. Charging for Electronic Benefit Transfer Card Replacement

No specific provision.

C. Photographic Identification

No provision.

[Note: See item 56 for optional block grants for States fully implementing electronic benefit transfer systems.]

Provides that Regulation E not apply to any electronic benefit transfer program (distributing needs-tested benefits) established or administered by States or localities. (p. 412)

No provision.

Requires that each electronic benefit transfer card bear a photograph of the members of the household to which the card is issued. (p. 231)

Provides that Regulation E not apply to food stamp benefits delivered through any electronic benefit transfer system. (p. 260)

Provides that States may charge recipients for the cost of replacing a lost or stolen electronic benefit transfer card and may collect the charge by reducing the recipient's food stamp benefit. (p. 260)

Permits States to require that electronic benefit transfer cards contain a photograph of 1 or more household members and requires that, if a State requires a photograph, it shall establish procedures to ensure that other appropriate members of the household and authorized representatives may use the card. (p. 261)

Present Law

House Bill

D. Rules for Electronic Benefit Transfer Systems

State agencies, with the Secretary's approval, may implement on-line electronic benefit transfer systems for delivering food stamp benefits, in lieu of coupons. No State may implement or expand an electronic benefit transfer system without prior approval from the Secretary. States are responsible for 50% of any electronic benefit transfer system costs (as with any benefit issuance system), including equipment and electronic benefit transfer cards. [Sec. 7(i)]

Deletes requirements for the Secretary's prior approval, "encourages" State agencies to implement on-line electronic benefit transfer systems for delivering food stamp benefits, and authorizes States to procure and implement these systems (under terms, conditions and designs that the State deems appropriate). (p. 231)

Allows the Secretary to waive, on a State's request, any provision of the Food Stamp Act that prohibits effective implementation of an electronic benefit transfer system for food stamp benefits. (p. 231)

Requires re-issuance and revision of regulations governing food stamp electronic benefit transfer systems (current regulations for approval of these systems were issued in April 1992). (p. 231)

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Permits States to implement EBT systems under rules separate from those in existing law as amended, if a State notifies the Secretary of its intent to convert to a statewide system within 3 years of enactment. The Secretary may not provide coupons to a State beginning 3 years after the chief executive gives notification of intent to convert under the EBT option -- but the State may extend this deadline by 2 years and the Secretary may grant a waiver of up to 6 months for good cause. (p. 272)

[Note: The Secretary is authorized to provide coupons for disaster relief.]

Present Law

House Bill

The Secretary's regulations for approval must (1) include standards that require that, in any one year, the operational cost of an electronic benefit transfer system does not exceed costs of prior issuance systems and (2) include system security standards. [Sec. 7(i)]

Deletes the requirement that the Secretary's regulations for electronic benefit transfer systems require that costs of the electronic benefit transfer system *in any one year* not exceed costs of prior issuance systems. (p. 231)

Adds requirements that the Secretary's standards for electronic benefit transfer systems include (1) measures to maximize system security using the most recent technology the State considers appropriate (including personal identification numbers, photographic identification on electronic benefit transfer cards, and other measures to protect against fraud and abuse) and (2) effective not later than 2 years after enactment, measures that permit electronic benefit transfer systems to differentiate food items that may be acquired with food stamp benefits from those that may not. (p. 232)

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Places requirements on the Secretary under the EBT option. The Secretary must:

--assist States in converting to an EBT system and (in consultation with the Inspector General and the Secret Service) inform States about proper security features, management techniques, and counterfeit deterrence; (p. 262)

--reimburse States for purchasing and issuing EBT cards; (p. 266)

[Note: The Secretary may charge recipients (through allotment reduction or otherwise) for the cost of replacing lost or stolen cards, unless stolen by force or threat of force]

--assign additional employees to investigate and monitor compliance with EBT and retailer participation rules; (p. 275)

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--establish a Transition Conversion Account (TCA) to be funded with transaction fees of no more than 2 cents a transaction (maximum of 16 cents a month) taken from each EBT household's benefits; (p. 266)

[Note: Fees would be imposed during the 10-year period beginning on enactment and placed in the TCA at the beginning of each year during the 10-year period beginning with the first full fiscal year after enactment. They would be imposed to the extent necessary to not increase the Secretary's costs under the EBT option and could not be greater than needed for the purposes of the TCA (see below). Fees could be reduced for households receiving maximum benefits.]

--from the TCA and, to the extent necessary, from food stamp appropriations, provide funds to States choosing the EBT option for (1) reasonable purchase and installation costs (including reimbursements to retailers) of single-function point-of-sale equipment to be used only for Federal/State assistance programs, (2) reasonable start-up purchase and installation costs for telephone equipment and connections to the point-of-sale equipment, and (3) modification of existing EBT systems to the extent necessary to operate Statewide or interstate; (p. 267)

--from the TCA, provide funds to implement the EBT option and for (1) start-up training, (2) reasonable one-time costs of converting to a system capable of interstate and law enforcement functions, (3) liabilities assumed by the Secretary under the EBT option (e.g., for replaced benefits), and (4) implementing and expanding a nationwide program for compliance with EBT and retailer rules; (p. 268) and

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--consult with government, food industry, financial services, and food advocacy representatives in the conversion to EBT as to (1) integrating EBT systems into commercial networks, (2) EBT system security, (3) use of laser scanner technology to ensure that only eligible items are purchased, (4) use of EBT system data to identify fraud, (5) means of ensuring confidentiality, (6) using existing terminals and systems to reduce costs, and (7) using EBT systems for multiple benefits. (p. 277)

Places requirements and conditions on States under the EBT option. States:

--must take into account generally accepted operating rules based on commercial technology and the need to permit interstate operations and law enforcement monitoring and investigations; (p. 262)

--may use paper-based and other benefit transfer approaches for special-need retailers (located in very rural areas, without access to dependable electricity or regular telephone service, farmers' markets, and house-to-house trade routes); (p. 263)

--must purchase and install (or reimburse for) single-function point-of-sale (and related telephone) equipment, usable only for Federal/State assistance, for retailers that do not have point-of-sale EBT equipment and do not intend to obtain it in the near future; (p. 264)

[Note: Equipment must be capable of interstate operations (based on commercial operating principles) that permit law enforcement monitoring and be capable of giving recipients access to multiple benefits.]

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--must purchase (or reimburse for) point-of-sale paper-based or alternative benefit transfer equipment for special-need retailers without this equipment who do not intend to obtain it in the near future (equipment would be usable only for Federal/State assistance); (p. 265)

--must use competitive bidding systems in purchasing EBT equipment and cards; (p. 269)

[Note: States may not have purchase agreements conditioned on buying additional services or equipment, the Secretary must monitor prices paid, and the Inspector General must investigate possible wrongdoing.]

--must advise recipients how to promptly report lost, stolen, damaged, improperly manufactured, dysfunctional, or destroyed EBT cards; (p. 270)

--must *not* (following the Secretary's regulations) replace benefits lost due to unauthorized use of an EBT card, but recipients would receive replacement benefits for losses caused by (1) force or threat of force, (2) unauthorized use after the State gets notice a card was lost/stolen, or (3) problems with the EBT system; (p. 270)

[Note: Except for losses caused by force or threat of force, States must reimburse the Secretary for benefit replacements, and States may obtain reimbursement from service providers for losses caused by system problems.]

--may require an explanation from recipients on occasions where they report lost or stolen cards or cards are used for an unauthorized transaction; (p. 273)

--must, in appropriate circumstances, investigate

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and act on (through administrative disqualification or court referral) cases of lost or stolen cards or unauthorized use; (p. 273)

—must (1) take into account the needs of law enforcement personnel and the need to permit and encourage technological/scientific advances, (2) ensure security is protected, (3) provide for recipient privacy, ease of EBT card use, and access to and service by retailers, (4) provide for financial accountability and system capability for interstate operations and law enforcement monitoring, (5) prohibit retailer participation unless appropriate equipment is operational and reasonably available to recipients, and (6) provide for monitoring and investigation by law enforcement agencies; (p. 274)

—must, on a recipient's request, provide, once a month, a statement of benefit transfers and balances for the preceding month; (p. 275) and
—must design systems to timely resolve disputes over errors. (p. 275)

[Note: Recipients able to obtain error corrections under the system would not be entitled to a fair hearing.]

Provides that retailers may return equipment provided by the State and obtain equipment with their own funds and that the cost of documents or systems under the EBT option may not be imposed on retailers. (p. 265)

Provides that EBT retailer fraud and related activities be governed by the Food Stamp Act and 18 U.S.C. 1029. (p. 276)

Makes technical and conforming amendments and defines electronic benefit transfer system, retail

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food store, special-need retail food store, and
electronic benefit transfer card. (p. 276 and p. 280)

Present Law

House Bill

12. VALUE OF MINIMUM ALLOTMENT

(Sec. 557 of House bill, Sec. 321 of Senate amendment)

The minimum monthly allotment for 1- and 2-person households is set at \$10. It is scheduled to rise to \$15 in FY1997 or 1998 (depending on food-price inflation). [Sec. 8(a)]

Freezes the minimum monthly allotment for 1- and 2-person households at \$10. (p. 237)

13. INITIAL MONTH BENEFIT

DETERMINATION (Sec. 558 of House bill, Sec. 322 of Senate amendment)

Recipient households not fulfilling eligibility recertification requirements in the last month of their certification period are allowed a 1-month "grace period" in which to fulfill the requirements before their benefits are pro-rated (reduced) to reflect the delay in meeting recertification requirements. [Sec. 8(c)(2)(B)]

For those who do not complete all eligibility recertification requirements in the last month of their certification period, but are then determined eligible after their certification period has expired, requires that they receive reduced benefits in the first month of their new certification period (i.e., their benefits would be pro-rated to the date they met the requirements and were judged eligible). (p. 237)

14. IMPROVING FOOD STAMP

MANAGEMENT (Sec. 559 of House bill)

A. Quality Control Fiscal Sanctions

States are assessed fiscal sanctions if their "quality control" combined (overpayment and underpayment) error rate for a given fiscal year is higher than the national average for that year. The amount of each State's sanction is determined by using a "sliding scale" so that its penalty assessment reflects the degree to which its combined error rate exceeds the national average tolerance level. In effect, the current system requires that States be sanctioned for a portion of every

Requires the assessment of fiscal sanctions if a State's combined error rate is above a tolerance level set at the lowest national average combined error rate ever achieved, plus 1 percentage point. States would be assessed a dollar penalty for each dollar in error above the tolerance level. For example, if a State's combined error rate were 2 percentage points above the lowest ever national average tolerance level, plus 1 percentage point, it would be assessed a penalty of 2% of benefits issued in the State that year. (p. 238)

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Same as the House bill. (p. 292)

Same as the House bill. (p. 292)

No provision.

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House Bill

benefit dollar that exceeds the tolerance level. For example, if the tolerance level were 10% and the State's combined error rate were 12%, or 2 percentage points (20%) above the tolerance level, the State would be assessed a penalty of .2% of benefits issued in the State that year (i.e., 20% of the excess above the threshold). [Sec. 16(c)]

B. Quality Control Administrative Rules

Errors resulting from the application of new regulations are not included in a State's error rate for assessing sanctions during the first 120 days from required implementation of the regulations. [Sec. 16(c)(3)(A)]

Specific time frames are set out for completion of quality control reviews, determining final error rates, and various steps of the appeals process. Administrative law judges are required to consider all grounds for denying a sanction claim against a State, including contentions that a claim should be waived for good cause. [Sec. 16(c)(8)]

For judging to what degree a State should be sanctioned, "good cause" is defined as including: (1) a natural disaster or civil disorder that adversely affects food stamp operations, (2) a strike by State employees who are necessary for food stamp operations, (3) a significant growth in food stamp caseload, (4) a change in the Food Stamp program (or other Federal or State program) that has a substantial adverse impact on the management of the Food Stamp program, and (5) a significant circumstance beyond the control of a State agency. [Sec. 16(c)(9)]

Bars inclusion of errors resulting from the application of new regulations for 60 days (or 90 days at the Secretary's discretion). (p. 238)

Deletes specific time frames for reviews, error rates, and the appeals process. Deletes the directive that administrative law judges consider all grounds for denying a sanction claim against a State. (p. 239)

Deletes the Act's definition of good cause for the quality control system. (p. 239)

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No provision.

No provision.

No provision.

Present Law

If a State appeals a quality control sanction claim, interest on any unpaid portion of the claim accrues from the date of the decision on the administrative appeal or from a date that is 1 year after the date a bill for the sanction is received, whichever is earlier. [Sec. 13(a)(1)]

House Bill

Requires that interest on sanction claims begin to accrue from the date of the administrative appeal decision or 2 years after the sanction bill is received, whichever is earlier. (p. 237)

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No provision.

Present Law

House Bill

**15. WORK SUPPLEMENTATION OR
SUPPORT PROGRAM (Sec. 560 of House bill,
Secs. 326 and 335 of Senate amendment)**

No provisions.

Permits States having a work supplementation or support program (under which public assistance benefits are provided to employers who hire public assistance recipients and then used to pay part of their wages) to include the cash value of a recipient's household food stamp benefits in the amount paid the employer to subsidize wages paid. Work supplementation/support programs would be required to meet standards set by the Secretary in order to avail themselves of the option to include food stamp benefits. The food stamp benefit value of the supplement could not be considered income for other purposes, and the household of the participating member would not receive regular food stamp allotments while the member was in a work supplementation/support program. States would be required to include any plans for including food stamp recipients in work supplementation or support programs in their State plans. (p. 239)

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Same as the House bill, except (1) a qualified work supplementation/support program may not allow participation of any individual for longer than one year (unless the Secretary approves a longer period), and (2) a qualified work supplementation/support program must be used for hiring and employing new employees. (p. 297 and p. 305)

Present Law

House Bill

16. OBLIGATIONS AND ALLOTMENTS

(Sec. 561 of House bill, Sec. 340 of Senate amendment)

The Food Stamp Act authorizes to be appropriated such sums as are necessary for each FY1991-1995. [Sec. 18(a)]

Provides that the amount obligated under the Act will not be in excess of the cost estimate of the Congressional Budget Office for fiscal year 1996, with adjustments for additional fiscal years -- in both cases reflecting amendments made by the Personal Responsibility Act. (p. 241)

Requires the Secretary to file reports (each February, April, and July) stating whether there is a need for additional obligational authority and authorizes the Secretary to provide recommendations as to how to equitably achieve spending reductions if allotments must be limited in any fiscal year. (p. 242)

17. REAUTHORIZATION OF PUERTO RICO NUTRITION ASSISTANCE PROGRAM (Sec. 341 of Senate amendment)

The Food Stamp Act requires the Secretary to pay specific sums for Puerto Rico's nutrition assistance block grant for FY1991-1995. The FY1995 amount is \$1.143 billion. [Sec. 19(a)]

No provision.

Senate Amendment**Conference Agreement**

Authorizes such sums as are necessary through
FY2002. (p. 312)

Requires the following payments for Puerto Rico's
nutrition assistance block grant: \$1.143 billion for
each of FY1995 and FY1996, \$1.182 billion for
FY1997, \$1.223 billion for FY1998, \$1.266 billion
for FY1999, \$1.310 billion for FY2000, \$1.343
billion for FY2001, and \$1.376 billion for
FY2002. (p. 312)

Present Law

House Bill

**18. AUTHORITY TO ESTABLISH
AUTHORIZATION PERIODS (Sec. 571 of
House bill, Sec. 353 of Senate amendment)**

No provision.

Requires the Secretary to establish specific time periods during which retail food stores' and wholesale food concerns' authorization to accept and redeem food stamp coupons (or redeem food stamp benefits through an electronic benefit transfer system) will be valid. (p. 244)

**19. CONDITION PRECEDENT FOR
APPROVAL OF RETAIL FOOD STORES
AND WHOLESALE FOOD CONCERNS (Sec.
572 of House bill)**

No provision.

Provides that no retail food stores or wholesale food concerns be approved for participation in the Food Stamp program unless an Agriculture Department employee (or, whenever possible, a State or local government official designated by the Department) has visited it. (p. 244)

**20. WAITING PERIOD FOR RETAIL FOOD
STORES AND WHOLESALE FOOD
CONCERNS THAT ARE DENIED
APPROVAL TO ACCEPT COUPONS (Sec.
573 of House bill, Sec. 356 of Senate amendment)**

No provision.

Provides that retail food stores and wholesale food concerns that have failed to be approved for participation in the Food Stamp program may not submit a new application for approval for 6 months from the date they receive a notice of denial. Current law provisions granting denied retailers and wholesalers a hearing on a refusal are retained. (p. 245)

Senate Amendment**Conference Agreement**

Permits the Secretary to issue regulations establishing specific time periods during which authorization to accept and redeem food stamp coupons will be valid. (p. 339)

No provision.

Same as the House bill, except that stores and concerns may not submit a new application for 6 months from the date of the denial. (p. 341)

Present Law

House Bill

21. DISQUALIFICATION OF RETAIL FOOD STORES AND WHOLESALE FOOD CONCERNS (Sec. 574 of House bill, Sec. 359 of Senate amendment)

No provision.

Requires that a retail food store or wholesale food concern that is disqualified from participation in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) also be disqualified from participating in the Food Stamp program for the period of time it is disqualified from the WIC program. (p. 245)

Senate Amendment**Conference Agreement**

Requires the Secretary to issue regulations providing criteria for disqualifying from food stamps retail food stores and wholesale food concerns disqualified from the WIC program. Disqualification must be for the same period as under the WIC program, may begin at a later date, and would not be subject to food stamp administrative/judicial review procedures. (p. 343)

Present Law

House Bill

22. AUTHORITY TO SUSPEND STORES VIOLATING PROGRAM REQUIREMENTS PENDING ADMINISTRATIVE AND JUDICIAL REVIEW (Sec. 575 of House bill, Sec. 358 of Senate amendment)

No provision.

Requires that, where a retail food store or wholesale food concern has been permanently disqualified (for its third offense or for certain instances of trafficking), the disqualification period will be effective from the date it receives notice of disqualification, pending administrative and judicial review. (p. 246)

23. CRIMINAL FORFEITURE (Sec. 576 of House bill, Sec. 361 of Senate amendment)

"Administrative forfeiture" rules allow the Secretary to subject property involved in a program violation to forfeiture to the United States. [Sec. 15(g)]

Establishes "criminal forfeiture" rules. Requires courts, in imposing sentence on those convicted of trafficking in food stamp benefits, to order that the person forfeit property to the United States (in addition to any other sentence imposed). Property subject to forfeiture would include all property (real and personal) used in a transaction (or attempted transaction) to commit (or facilitate the

Permits regulations establishing criteria under which authorization of a retail food store or wholesale food concern may be suspended at the time the store/concern is initially found to have committed a violation that would result in permanent disqualification; the suspension may coincide with the period of administrative/judicial review. The Secretary would not be liable for the value of any lost sales during any suspension/disqualification period. (p. 342)

Requires notice in suspension cases. Stipulates that a suspension period remains in effect pending administrative/judicial review and that the suspension period be part of any disqualification imposed. (p. 343)

Removes provisions for courts temporarily staying administrative actions against stores, concerns, and States pending judicial appeal. (p. 343)

Removes provisions for administrative forfeiture for property "intended to be furnished" in trafficking cases. (p. 345)

Establishes "criminal forfeiture" rules similar to those in the House bill, but applied only in trafficking cases involving benefits of \$5,000 or more. Property subject to forfeiture would

Present Law

House Bill

commission of) a trafficking violation (other than a misdemeanor); proceeds traceable to the violation also would 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. (p. 246)

Requires that the proceeds from any sale of forfeited properties, and any money forfeited, be used (1) to reimburse the Justice Department for costs incurred in initiating and completing forfeiture proceedings, (2) to reimburse the Agriculture Department's Office of Inspector General for costs incurred in the law enforcement effort that led to the forfeiture, (3) to reimburse Federal or State law enforcement agencies for costs incurred in the law enforcement effort that led to the forfeiture, and (4) by the Secretary to carry out store approval, reauthorization, and compliance activities. (p. 247)

24. EXPANDED DEFINITION OF "COUPON" (Sec. 577 of House bill, Sec. 351 of Senate amendment)

The Act defines "coupon" to mean any coupon, stamp, or type of certificate issued under the provisions of the Food Stamp Act. [Sec. 3(d)]

In order to expand the types of items to which trafficking penalties apply, revises the current definition of "coupon" to include authorization cards, cash or checks issued in lieu of coupons, and "access devices" for electronic benefit transfer systems (including electronic benefit transfer cards and personal identification numbers). (p. 247)

Senate Amendment

Conference Agreement

include: (1) food stamp benefits, and any property constituting, derived from, or traceable to any proceeds obtained directly or indirectly as the result of the violation and (2) food stamp benefits, and any property used or intended to be used to commit or facilitate the violation. (p. 345)

Food stamp benefits and property subject to criminal forfeiture, any seizure or disposition of the benefits/property, and any administrative/judicial proceeding relating to the benefits/property would be subject to forfeiture provisions of the Drug Abuse Prevention and Control Act of 1970, (where consistent with Food Stamp Act provisions). (p. 346)

[Note: No specific Food Stamp Act provisions for use of the proceeds from forfeited property are included]

Same as the House bill. (p. 338)

Present Law

House Bill

25. DOUBLED PENALTIES FOR VIOLATING FOOD STAMP

REQUIREMENTS (Sec. 578 of House bill, Sec. 352 of Senate amendment)

The disqualification penalty for the first intentional violation of program requirements is 6 months. The penalty for a second intentional violation (and the first violation involving trading of a controlled substance) is 1 year. [Sec. 6(b)(1)]

Increases the disqualification penalty for a first intentional violation to 1 year. Increases the disqualification penalty for a second intentional violation (and the first violation involving a controlled substance) to 2 years. (p. 248)

26. DISQUALIFICATION OF CONVICTED INDIVIDUALS (Sec. 579 of House bill)

Permanent disqualification is required for the third intentional violation of program requirements, the second violation involving trading of a controlled substance, and the first violation involving trading of firearms, ammunition, or explosives. [Sec. 6(b)(1)]

Adds a requirement for permanent disqualification of persons convicted of trafficking in food stamp benefits where the benefits trafficked have a value of \$500 or more. (p. 248)

27. CLAIMS COLLECTION (Sec. 580 of House bill, Sec. 332 of Senate amendment)**A. Federal Income Tax Refunds**

Otherwise uncollected overissued benefits may, except for claims arising out of State agency error, may be recovered from Federal pay or pensions. [Sec. 13(d) and Sec. 11(e)(8)]

Requires collection of otherwise uncollected overissued benefits, other than those arising out of State agency error, from Federal pay or pensions and from Federal income tax refunds. (p. 249)

Senate Amendment**Conference Agreement**

Same as the House bill. (p. 339)

No comparable provision.

Permits collection of all otherwise uncollected
overissued benefits from Federal pay or pensions
and from Federal income tax refunds. (p. 301)

Present Law

House Bill

B. Authority to Collect Overissuances

State collection of overissued benefits is limited in certain circumstances. In the case of overissuances due to an intentional program violation, households must agree to repayment by either a reduction in future benefits or cash repayment; States also are required to collect overissuances to these households through other means, such as tax refund or unemployment compensation collections (if a cash repayment or reduction is not forthcoming), unless they demonstrate that the other means are not cost effective. In cases of overissuance because of inadvertent household "error," States must collect the overissuance through a reduction in future benefits -- except that households must be given 10 days' notice to elect another means, and collections are limited to 10% of the monthly allotment or \$10 a month (whichever would result in faster collection) -- and may use other means of collection. In cases of overissuances because of State agency error, States may request repayment or use other means of collection (not including reduction in future benefits). [Sec. 13(b)]

No provisions.

Senate Amendment**Conference Agreement**

Replaces existing overissuance collection rules with provisions requiring States to collect any overissuance of benefits by reducing future benefits, 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. Bars the use of future benefit reductions as a claims collection mechanism if it would cause a hardship on the household (as determined by the State) and limits benefit reductions (absent intentional program violations) to the greater of 10% of the monthly benefit or \$10 a month. Provides that States must collect overissued benefits in accordance with State-established requirements for notice, electing a means of payment, and setting a schedule for payment. (p. 302)

Present Law

House Bill

28. DENIAL OF FOOD STAMP BENEFITS FOR 10 YEARS TO INDIVIDUALS FOUND TO HAVE FRAUDULENTLY MISREPRESENTED RESIDENCE IN ORDER TO OBTAIN BENEFITS SIMULTANEOUSLY IN 2 OR MORE STATES (Sec. 581 of House bill, Sec. 318 of Senate amendment)

Disqualification periods ranging from 6 months to permanent disqualification are prescribed for intentional violations of Food Stamp program requirements. [Sec. 6(b)]

29. DISQUALIFICATION RELATING TO CHILD SUPPORT ARREARS (Sec. 582 of House bill, Sec. 317 of Senate amendment)

No provision.

30. ELIMINATION OF FOOD STAMP BENEFITS WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS (Sec. 583 of House bill, Sec. 319A of Senate amendment)

A. Disqualification of Fleeing Felons
No provision.

Disqualifies from food stamps for 10 years an individual found to have fraudulently misrepresented the individual's place of residence in order to receive food stamp, Medicaid, TANF, or Supplemental Security Income (SSI) benefits in two or more States. (p. 249)

Disqualifies individuals during any period the individual has an unpaid liability that is under a court child support order, unless the court is allowing delayed payments. (p. 250)

Disqualifies individuals while they are (1) fleeing to avoid prosecution or custody after conviction for a crime (or crime attempt) which is a felony or (2) violating a condition of parole under Federal or State law. (p. 250)

Senate Amendment**Conference Agreement**

Disqualifies from food stamps permanently an individual found to have fraudulently misrepresented the individual's place of residence in order to receive food stamps in two or more States. (p. 256)

Same as the House bill, except that States are permitted to apply a child support arrears disqualification. (p. 255)

Same as the House bill. (p. 259)

Present Law

House Bill

B. Exchange of Information

No provision.

Requires State food stamp agencies to make available to law enforcement officers the address of a food stamp recipient if the officer furnishes the recipient's name and notifies the agency that (1) the individual is fleeing to avoid prosecution or custody for a felony crime (or attempt) or the individual has information necessary for the officer to conduct official duties, (2) the location or apprehension of the individual is within the officer's official duties, and (3) the request is made in the proper exercise of official duties. (p. 250)

Requires State agencies to immediately report to the Immigration and Naturalization Service a determination that a food stamp household member is ineligible for food stamps because the individual is present in the United States in violation of the Immigration and Nationality Act. [Sec. 11(e)(17)]

31. EFFECTIVE DATES (Sec. 591 of House bill, Secs. 344 and 362 of Senate amendment)

No provision.

Except for amendments dealing with the Food Stamp program's quality control system (effective October 1, 1994), the food stamp and commodity distribution program amendments made by the Personal Responsibility Act would be effective October 1, 1995. (p. 252)

Senate Amendment**Conference Agreement**

Similar to the House bill, requires State food stamp agencies to make available to law enforcement officers the address, social security number, and (when available) photograph of a food stamp recipient if the officer furnishes the recipient's name and notifies the agency as stipulated in the House bill. (p. 298)

Requires State agencies to furnish the Immigration and Naturalization Service with the name of, address of, and identifying information on any individual the agency knows is unlawfully in the United States. (p. 300)

Provides that Food Stamp Act amendments would be effective October 1, 1995. (p. 338 and p. 347)

Present Law

House Bill

32. SENSE OF CONGRESS (Sec. 592 of House bill)

No provision.

Provides that it is the sense of Congress that States operating electronic benefit transfer systems to provide food stamp benefits should operate systems that are compatible with each other. (p. 253)

33. DEFICIT REDUCTION (Sec. 593 of House bill)

No provision.

Provides that it is the sense of the House Committee on Agriculture that reductions in outlays resulting from Food Stamp Act (and commodity distribution program) provisions of the Personal Responsibility Act not be taken into account for purposes of Section 252 of the Balanced Budget and Emergency Deficit Control Act (relating to enforcement of "pay-as-you-go" provisions of the Budget Act). (p. 253)

Senate Amendment

Conference Agreement

No provision.

No provision.

Present Law

House Bill

34. CERTIFICATION PERIOD (Sec. 301A of Senate amendment)

For households subject to periodic (monthly) reporting of their circumstances, eligibility certification periods must be 6-12 months, except that the Secretary may waive this rule to improve program administration. For households receiving federally aided public assistance or general assistance, certification periods must coincide with the certification periods for the other public assistance. For other households, certification periods generally must be not less than 3 months -- but they can be (1) up to 12 months for those consisting entirely of unemployable, elderly, or primarily self-employed persons or (2) as short as circumstances require for those with a substantial likelihood of frequent changes in income or other household circumstances and for any household on initial eligibility determination (as judged by the Secretary). The Secretary may waive the maximum 12-month limit to improve program administration. [Sec. 3(c)]

No provision.

35. TREATMENT OF CHILDREN LIVING AT HOME (Sec. 302 of Senate amendment)

Parents and their children 21 years of age or younger who live together must apply for food stamps as a single household (thereby reducing aggregate household benefits) -- except for children who are themselves parents living with their children and children who are married and living with their spouses. [Sec. 3(i)]

No provision.

Senate Amendment

Conference Agreement

Replaces existing provisions as to certification periods with a requirement that certification periods not exceed 12 months -- but can be up to 24 months if all adult household members are elderly, disabled, or primarily self-employed. (p. 220)

Requires State agencies to have at least 1 personal contact with each certified household every 12 months. (p. 220)

Removes the existing exception for children who are themselves parents living with their children and children who are married and living with their spouses. (p. 220)

Present Law**House Bill**

**36. OPTIONAL ADDITIONAL CRITERIA
FOR SEPARATE HOUSEHOLD
DETERMINATIONS (Sec. 303 of Senate
amendment)**

Certain persons who live together may apply for food stamps as separate households (thereby increasing aggregate household benefits) if they (1) are unrelated and purchase food and prepare meals separately or (2) are related but are not spouses or children living with their parents (See item 35). In addition, elderly persons who live with others and cannot purchase food and prepare meals separately because of a substantial disability may apply a separate households as long as their co-residents' income is below prescribed limits (165% of the Federal poverty income guidelines). [Sec. 3(i)]

No provision.

**37. DEFINITION OF HOMELESS
INDIVIDUAL (Sec. 305 of Senate amendment)**

For food stamp eligibility and benefit determination purposes, a "homeless individual" is a person lacking a fixed/regular nighttime residence or one whose primary nighttime residence is a shelter, a residence intended for those to be institutionalized, a temporary accommodation in the residence of another, or a public or private place not designed to be a regular sleeping accommodation for humans. [Sec. 3(s)]

No provision.

Senate Amendment**Conference Agreement**

Permits States to establish criteria that prescribe when individuals living together, and would otherwise be allowed to apply as separate households, must apply as a single household (without regard to common purchase of food and preparation of meals). (p. 220)

Provides 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. (p. 222)

Present Law

House Bill

38. STATE OPTIONS IN REGULATIONS
(Sec. 306 of Senate amendment)

The Secretary is directed to establish uniform national standards of eligibility for food stamps (with certain variations allowed for Alaska, Hawaii, Guam, and the Virgin Islands) and in other cases (e.g., imposition of monthly reporting requirements). States may not impose any other standards of eligibility as a condition of participation in the program. [Sec. 5(b)]

No directly comparable provision.

[Note: See item 3.]

39. EARNINGS OF STUDENTS (Sec. 307 of Senate amendment)

The earnings of an elementary/secondary student are disregarded as income until the student's 22nd birthday. [Sec. 5(d)(7)]

No provision.

40. BENEFITS FOR ALIENS (Secs. 311, 1305 of Senate amendment)**A. Deeming Sponsors' Income and Resources**

A portion of the income and resources of the sponsor of a lawfully admitted alien must be deemed as available to the sponsored alien for 3 years after the alien's entry. Income is deemed to the extent it exceeds the appropriate food stamp income eligibility limit (130% of the Federal income poverty guidelines); liquid resources are deemed to the extent they exceed \$1,500. [Sec. 5(i)]

No directly comparable provision.

[Note: See conference comparison for title IV in the House bill and title V in the Senate amendment.]

Senate Amendment**Conference Agreement**

Explicitly permits non-uniform standards of eligibility. (p. 222)

Requires that earnings of an elementary/secondary student be counted as income once the student turns age 20. (p. 222)

Extends the deeming period for sponsored legal aliens to 5 years from lawful admittance or the period of time agreed to in the sponsor's affidavit, whichever is longer. (p. 235)

[Note: See conference comparison for title IV in the House bill and title V in the Senate amendment.]

Present Law

House Bill

B. Counting Aliens' Income and Resources

The income (less a pro rata share) and all resources of aliens who are ineligible for food stamps under provisions of the Food Stamp Act are counted as income/resources to the rest of the household living with the alien.
[Sec. 6(f)]

No provision.

**41. COOPERATION WITH CHILD
SUPPORT AGENCIES (Sec. 316 of Senate
amendment)****A. Custodial Parents**

No provisions.

No provisions.

Senate Amendment

Conference Agreement

Permits States to count all of the income and resources of aliens ineligible for food stamps under the provisions of the Food Stamp Act as income/resources to the rest of the household. (p. 650)

Permits States to disqualify custodial parents of children under the age of 18 who have an absent parent unless the custodial parent cooperates with the State child support agency in establishing the child's paternity and obtaining support for the child and the custodial parent. Cooperation would not be required if the State finds there is good cause (in accordance with Federal standards taking into account the child's best interest). Fees or other costs for services could not be charged. (p. 252)

Present Law

House Bill

B. Non-custodial Parents
No provisions.

No provisions.

**42. OPTIONAL COMBINED ALLOTMENT
FOR EXPEDITED HOUSEHOLDS (Sec. 323 of
Senate amendment)**

For households applying after the 15th day of the month, States may provide an allotment that is the aggregate of the initial (pro-rated) allotment and the first regular allotment — but combined allotments must be provided to households applying after 15th of the month who are entitled to expedited service. [Sec. 8(c)(3)]

No provision.

Senate Amendment**Conference Agreement**

Permits States to disqualify putative or identified non-custodial parents of children under 18 if they refuse to cooperate with the State child support agency in establishing the child's paternity and providing support for the child. The Secretary and the Secretary of Health and Human Services would develop guidelines for what constitutes a refusal to cooperate, and States would develop procedures (using these guidelines) for determining whether there has been a refusal to cooperate. Fees or other costs for services could not be charged. States would be required to provide safeguards to restrict the use of information collected by the child support agency to the purposes for which it was collected. (p. 253)

Makes provision of combined allotments a State option both for regular and expedited service applicants. (p. 292)

Present Law**House Bill**

43. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS (Sec. 324 of Senate amendment)

Households penalized for an intentional failure to comply with a Federal, State, or local welfare program may not, for the duration of the penalty, receive an increased food stamp allotment because their welfare income has been reduced. [Sec. 8(d)]

[Note: See item 4C.]

[Note: This has been interpreted by regulation to apply only to reductions in welfare income due to repayment of overpayments resulting from a welfare violation, although a revision of the regulation is scheduled.]

44. ALLOTMENTS FOR HOUSEHOLDS RESIDING IN INSTITUTIONS (Sec. 325 of Senate amendment)

Homeless shelters and residential drug or alcoholic treatment centers may be designated as recipients' authorized representatives.

No provision.

[Note: In the case of residential treatment centers, benefits generally are provided to the center.]

Bars increased food stamp allotments because the benefits of a household are reduced under a Federal, State, or local welfare or public assistance program for failure to perform a required action. In carrying out this requirement, States may, in determining food stamp allotments for the duration of the public assistance reduction, use the household's pre-reduction welfare benefits. (p. 293)

Permits States also to reduce the household's food stamp allotment by up to 25%. If the allotment is reduced for failure to perform an action required under a family assistance block grant program, the State may use the rules and procedures of that program to reduce the food stamp allotment. (p. 294)

Permits States to divide a month's food stamp benefits between the shelter/center and an individual who leaves the shelter/center. (p. 294)

Permits States to require residents of shelters/centers to designate the shelter/center as authorized representative. (p. 295)

Present Law**House Bill**

45. OPERATION OF FOOD STAMP OFFICES (Sec. 326 of Senate amendment)**A. State Plan Requirements**

States must:

- allow households contacting the food stamp office in person during office hours to make an oral/written request for aid and receive and file an application on the same day;
- use a simplified, uniform federally designed application, unless a waiver is approved;
- include certain, specific information in applications;
- waive in-person interviews under certain circumstances (they may use telephone interviews or home visits instead);
- provide for telephone contact and mail application by households with transportation or similar difficulties;
- require an adult representative of the household to certify as to household members' citizenship/alien status;
- provide a method of certifying and issuing benefits to homeless households;
- assist households in obtaining verification and completing applications;
- not require additional verification of currently verified information (unless there is reason to believe that the information is inaccurate, incomplete, or inconsistent);
- not deny an application solely because a non-household member fails to cooperate;
- process applications if the household meets cooperation requirements;
- provide households (at certification and recertification) with a statement of reporting responsibilities;

No provisions.

Replaces noted existing State plan requirements with requirements that the State:

--establish procedures governing the operation of food stamp offices that it determines best serve households in the State, including those with special needs (such as households with elderly or disabled members, those in rural areas, the homeless, households residing on reservations, and households speaking a language other than English);

--provide timely, accurate, and fair service to applicants and participants;

--permit applicants to apply and participate on the same day they first contact the food stamp office during office hours; and

--consider an application filed on the date the applicant submits an application that contains the applicant's name, address, and signature. (p. 295)

Permits States to establish operating procedures that vary for local food stamp offices to reflect regional and local differences. (p. 296)

Present Law

House Bill

--provide a toll-free or local telephone number at which households may reach State personnel;
--display and make available nutrition information; and
--use mail issuance in rural areas where low-income households face substantial difficulties in obtaining transportation (with exceptions for high mail losses). [Sec. 11(e)(2), (3), (14), & (25)]

B. Application and Denial Procedures

A single interview for determining AFDC and food stamp benefits is required. Food stamp applications generally are required to be contained in public assistance applications, and applications and information on how to apply for food stamps must be provided local general assistance applicants. Applicants (including those who have recently lost or been denied public assistance) must be certified eligible for food stamps based on the information in their public assistance casefile (to the extent it is reasonably verified).

No provisions.

No household may be terminated from or denied food stamps solely on the basis that it has been terminated from or denied other public assistance and without a separate food stamp eligibility determination. [Sec. 11(i)]

No provisions.

Deletes noted existing requirements for single interviews, applications, and food stamp determinations based on public assistance information. (p. 297)

Permits disqualification for food stamps based on another public assistance program's disqualification for failure to comply with its rules or regulations. (p. 297)

Present Law

House Bill

46. STATE EMPLOYEE AND TRAINING STANDARDS (Sec. 327 of Senate amendment)

States must employ agency personnel doing food stamp certifications in accordance with current Federal "merit system" standards. States must provide continuing, comprehensive training for all certification personnel. States may undertake intensive training of certification personnel to ensure they are qualified for certifying farming households. States may provide or contract for the provision of training/assistance to persons working with volunteer or nonprofit organizations that provide outreach and eligibility screening activities. [Sec. 11(e)(6)]

No provision.

47. EXPEDITED COUPON SERVICE (Sec. 329 of Senate amendment)

States must provide expedited benefits to applicant households that (1) have gross income under \$150 a month (or are "destitute" migrant or seasonal farmworker households) and have liquid resources of no more than \$100, (2) homeless households, and (3) households that have combined gross income and liquid resources less than the household's monthly shelter expenses.

No provision.

Expedited service means providing an allotment no later than 5 days after application. [Sec. 11(e)(9)]

No provisions.

Senate Amendment**Conference Agreement**

Deletes noted existing provisions for merit system standards and training. (p. 298)

Deletes noted existing requirements to provide expedited service to the homeless and households with shelter expenses in excess of their income/resources. (p. 300)

Lengthens the period in which expedited benefits must be provided to 7 business days. (p. 300)

Present Law**House Bill**

48. FAIR HEARINGS (Sec. 330 of Senate amendment)

No provision.

No provision.

49. INCOME AND ELIGIBILITY VERIFICATION SYSTEM (Sec. 331 of Senate amendment)

States must use the "income and eligibility verification systems" established under Sec. 1137 of the Social Security Act to assist in verifying household circumstances; this includes a system for verifying financial circumstances (IEVS) and a system for verifying alien status (SAVE). [Sec. 11(e)(19) of the Food Stamp Act and Sec. 1137 of the Social Security Act.]

No provision.

50. TERMINATION OF FEDERAL MATCH FOR OPTIONAL INFORMATION ACTIVITIES (Sec. 333 of Senate amendment)

If a State opts to conduct informational ("outreach") activities for the food stamp program, the Federal Government shares half the cost. [Sec. 11(e)(1) & Sec. 16(a)]

No provision.

Senate Amendment**Conference Agreement**

Permits households to withdraw fair hearing requests orally or in writing. If it is an oral request, the State must provide a written notice to the household confirming the request and providing the household with another chance to request a hearing. (p. 301)

Makes use of IEVS and SAVE optional with the States. (p. 301)

Terminates the Federal share of optional State outreach activities. (p. 304)

[Note: Sec. 333(b) makes a technical amendment to Sec. 16(g) of the Food Stamp Act.]

Present Law**House Bill**

51. STANDARDS FOR ADMINISTRATION
(Sec. 334 of Senate amendment)

The Secretary is required to (1) establish standards for efficient and effective administration of the program, including standards for review of food stamp office hours to ensure that employed individuals are adequately served, and (2) instruct States to submit reports on administrative actions taken to meet the standards. [Sec. 16(b)]

No provision.

52. WAIVER AUTHORITY (Sec. 336 of Senate amendment)

The Secretary may waive Food Stamp Act requirements to the degree necessary to conduct pilot/demonstration projects, but no project may be implemented that would lower or further restrict food stamp income/resource eligibility standards or benefit levels (other than certain projects involving the payment of the average value of allotments in cash and certain work program demonstrations). [Sec. 17(b)(1)]

No provision.

53. AUTHORIZATION OF PILOT PROJECTS (Sec. 337 of Senate amendment)

Existing pilot projects for the payment of food stamp benefits in the form of cash to households composed of elderly persons or SSI recipients are authorized to continue through October 1, 1995, if a State requests. [Sec. 17(b)(1)]

No provision.

Senate Amendment**Conference Agreement**

Deletes the noted existing requirements relating to Federal standards for efficient and effective administration. (p. 304)

Replaces existing waiver authority with authority for the Secretary to waive Food Stamp Act requirements to the extent necessary to conduct pilot/experimental projects, including those designed to test innovative welfare reform, promote work, and allow conformity with other assistance programs. (p. 308)

Requires that any project involving the payment of benefits in the form of cash maintain the average value of allotments for affected households. (p. 308)

Extends the authorization for elderly/SSI cash-out projects through October 1, 2002. (p. 308)

Present Law

House Bill

**54. RESPONSE TO WAIVERS (Sec. 338 of
Senate amendment)**

No provisions.

No provisions.

Senate Amendment**Conference Agreement**

Requires that, not later than 60 days after receiving a demonstration project waiver request, the Secretary (1) approve the request, (2) deny the request and explain any modifications needed for approval, (3) deny the request and explain the grounds for denial, or (4) ask for clarification of the request. If a response is not forthcoming in 60 days, the waiver would be considered approved. If a waiver request is denied, the Secretary must provide a copy of the waiver request and the grounds for denial to the House and Senate Agriculture Committees. (p. 309)

Present Law

House Bill

**55. PRIVATE SECTOR EMPLOYMENT
INITIATIVES (Sec. 339 of Senate amendment)**

No provisions.

[Note: See item 4E.]

Allows certain States to operate "private sector employment initiatives" under which food stamp benefits could be paid in cash to some participating households. States would be eligible to operate private sector employment initiatives if not less than 50% of the households that received food stamp benefits in the summer of 1993 also received AFDC benefits. Households would be eligible to receive cash payments if an adult member so elects and (1) has worked in unsubsidized private sector employment for not less than the 90 preceding days, (2) has earned not less than \$350 a month from that employment, (3) is eligible to receive family assistance block grant benefits (or was eligible when cash payments were first received and is no longer eligible because of earned income), and (4) is continuing to earn not less than \$350 a month from private sector employment. States operating a private sector employment initiative for 2 years must provide a written evaluation of the impact of cash assistance (the content of the evaluation would be determined by the State). (p. 310)

Present Law

House Bill

56. OPTIONAL BLOCK GRANTS (Sec. 556 of House bill, Sec. 343 of Senate amendment)

No provisions.

[Note: Sec. 556 (b) of the House bill adds a new section 25 to the Food Stamp Act containing provisions for an optional block grant.]

Allows States that have fully implemented an electronic benefit transfer system to elect an annual block grant to operate a low-income nutrition assistance program in lieu of the food stamp program. (p. 232)

Grants funds to States electing a block grant -- States would receive (1) the greater of: the total fiscal year 1994 amount they received as food stamp benefits; or the fiscal years 1992-1994 average they received as food stamp benefits and (2) the greater of: the fiscal year 1994 Federal share of administrative costs; or the fiscal years 1992-1994 average they received as the Federal share of administrative costs. Grant payments would be made at times and in a manner determined by the Secretary. (p. 233)

Requires annual submission of a State plan specifying the manner in which the block grant nutrition assistance program will be conducted. The plan must:

—certify that the State has implemented a State-

Senate Amendment

Conference Agreement

[Note: Sec. 343(a) of the Senate amendment adds a new section 25 to the Food Stamp Act containing provisions for an optional block grant] Requires the Secretary to establish a program to make grants to States, in lieu of the food stamp program, to provide food assistance to needy individuals and families, wage subsidies and payments in return for work for needy individuals, funds to operate an employment and training program for needy individuals, and funds for administrative costs incurred in providing assistance. (p. 319)

Grants funds to States electing a block grant -- States would receive (1) the greater of: the total fiscal year 1994 amount they received as food stamp benefits; or the fiscal years 1992-1994 average they received as food stamp benefits and (2) the greater of: the fiscal year 1994 Federal share of administrative costs and employment/training program costs; or the fiscal years 1992-1994 average they received as the Federal share of administrative costs and employment/training program costs. If total allotments for a fiscal year would exceed the amount of funds made available to provide them, the Secretary is required to reduce allotments on a pro rata basis to the extent necessary. Grant payments would be made by issuing 1 or more letters of credit, with necessary adjustments for overpayments and underpayments. (p. 332 and p. 336)

Requires annual submission of a State plan containing information as required by the Secretary. The plan:

--must have an assurance that the State will

Present Law

House Bill

wide electronic benefit transfer system under Food Stamp Act conditions;

--designate a single State agency responsible for administration;

--assess the food and nutrition needs of needy persons in the State;

--limit assistance to the purchase of food;

--describe the persons to whom aid will be provided;

--assure that assistance will be provided to the most needy;

--assure that applicants for assistance have adequate notice and fair hearing rights comparable to those under the regular food stamp program;

--provide that there be no discrimination on the basis of race, sex, religion, national origin, or political beliefs; and

--include other information as required by the Secretary. (p. 234)

Senate Amendment**Conference Agreement**

comply with block grant requirements;

--must identify a "lead agency" responsible for administration, development of the plan, and coordination with other programs;

--must provide that the State will use grant funds as follows:

 to give food assistance to needy persons (other than certain residents of institutions);

 at State option, to provide wage subsidies and workfare for needy persons;

 to administer an employment and training program for needy persons (and provide reimbursement for support services); and

 to pay administrative costs incurred in providing assistance;

--must describe how the program will serve specific groups of persons (and how that treatment will differ from the regular food stamp program) including the elderly, migrants or seasonal farmworkers, the homeless, those under the supervision of institutions, those with earnings, and Indians;

--must provide that benefits be available statewide;

--must provide that applicants and recipients are provided with notice and fair hearing rights;

--may coordinate block grant assistance with aid under the family assistance block grant

--may reduce food assistance or otherwise penalize persons or families penalized for violating family assistance block grant rules;

--must assess the food and nutrition needs of needy persons in the State;

--must describe the income and resource eligibility limits established under the block grant;

--must establish a system to ensure that no persons receive block grant benefits in more than 1 jurisdiction;

--must provide for safeguarding and restricting the

Present Law

House Bill

In general, permits block grant payments to be expended only in the fiscal year in which they are distributed to a State. States may reserve up to 5% of a fiscal year's grant to provide assistance in subsequent years, but reserved funds may not total more than 20% of the total grant received for a fiscal year. (p. 235)

Requires States to keep records concerning block grant program operations and make them available to the Secretary and the Comptroller General. (p. 235)

If the Secretary finds there is substantial failure by a State to comply, requires the Secretary to (1) suspend all or part of a grant payment until the State is determined in substantial compliance, (2) withhold all/part of a grant payment until the Secretary determines that there is no long a failure to comply, or (3) terminate the State's authority to operate a nutrition assistance block grant program. (p. 235)

Senate Amendment**Conference Agreement**

use and disclosure of information about recipients;
and
--must contain other information as required by the
Secretary. (p. 324)

Same as the House bill, except that States may
reserve up to 10% a year and reserved funds may
not total more than 30% of the total grant
received. (p. 333)

Requires the Secretary to review and monitor State
compliance with block grant rules and State plans.
If the Secretary (after notice and opportunity for a
hearing) finds that there has been a failure to
substantially comply with the State's plan or the
provisions of the block grant, the Secretary must
notify the State and no further payments would be
made until the Secretary is satisfied that there is no
longer a failure to comply or that noncompliance
will be promptly corrected. (p. 330)

Present Law**House Bill**

Requires States to provide for biennial audits of block grant expenditures, provide the Secretary with the audit, and make it available for public inspection. (p. 236)

Requires an annual "activities report" comparing actual spending for nutrition assistance in each fiscal year with the spending predicted in the State plan; the report must be made available for public inspection. (p. 236)

Senate Amendment**Conference Agreement**

Allows the Secretary (in cases of noncompliance) to impose other appropriate sanctions on States in addition to, or in lieu of, withholding block grant payments; these sanctions may include recoupment of money improperly spent and disqualification from receipt of a block grant. The Secretary also is required to establish procedures for (1) receiving, processing, and determining the validity of complaints about States' failure to comply with block grant obligations and (2) imposing sanctions. In addition, the Secretary is permitted to withhold not more than 5% of a State's annual allotment if the State does not use an "income and eligibility verification system" established under Sec. 1137 of the Social Security Act. (p. 331)

Requires States to arrange for annual independent audits of block grant expenditures. Each annual audit must include an audit of payment accuracy based on a statistically valid sample and be submitted to the State legislature and the Secretary. States must repay any amounts the audit determines have not been expended in accordance with the State plan, or the Secretary can offset amounts against any other amount paid the State under the block grant. (p. 334)

Present Law

House Bill

Requires that whoever knowingly and willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery any funds or property provided or financed under a nutrition assistance block grant be fined not more than \$10,000, imprisoned for not more than 5 years, or both. (p. 236)

Senate Amendment

Conference Agreement

Provides that a State that elects a food assistance block grant option may subsequently reverse that choice only once. (p. 320)

Finds that the Senate has adopted a resolution that Congress should not enact/adopt any legislation that will increase the number of hungry children, that it is not its intent to cause more children to be hungry, that the food stamp program serves to prevent child hunger, and that a State's election for a food assistance block grant should not serve to increase the number hungry children in the State. (p. 321)

Provides that a State's election for a food assistance block grant be permanently revoked 180 days after the Secretary of Health and Human Services has made 2 successive findings (over a 6-year period) that the "hunger rate" among children is significantly higher in a food assistance block grant State than it would have been if the State had not made the choice. (p. 321)

Specifies procedures for a finding that a State's child hunger rate has risen significantly. Every 3 years, the Secretary must develop data and report with respect to any significant increase in child hunger in States that have elected a food assistance block grant. The Secretary must provide the report to States that have elected a block grant and

Present Law

House Bill

Senate Amendment**Conference Agreement**

must provide States with a higher child hunger rate with an opportunity to respond. If the State's response does not result in a reversal of the Secretary's determination that the child hunger rate is significantly higher than it would have been without the State's block grant election, the Secretary must publish a determination that the State's block grant choice is revoked. (p. 322)

Requires States to designate a lead administrative agency. The agency must administer (either directly or through other agencies) the food assistance block grant aid, develop the State plan, hold at least 1 hearing for public comment on the plan, and coordinate food assistance block grant aid with other government assistance. In developing the State plan, the lead agency must consult with local governments and private sector organizations so that services are provided in a manner appropriate to local populations. (p. 323)

Provides that nothing in the new food assistance block grant section of the Food Stamp Act entitles anyone to assistance or limits the right of States to impose additional limits or conditions. (p. 329)

Requires that no funds under the food assistance block grant be spent for the purchase or improvement of land, or for the purchase, construction, or permanent improvement of any building/facility. (p. 329)

Requires that no alien otherwise ineligible to participate in the regular food stamp program be eligible to participate in a food assistance block grant program, and that the income of the sponsor of an alien be counted as in the regular food stamp program. (p. 329)

Present Law

House Bill

Requires that the State plan provide that there will be no discrimination on the basis of race, sex, religion, national origin, or political beliefs. (p. 234)

Requires that all assistance provided under the block grant be limited to the purchase of food. (p. 234)

[Note: Because the State would have fully implemented an electronic benefit transfer system, benefits would be provided through these systems.]

Senate Amendment**Conference Agreement**

Requires that (1) no person be eligible to receive food assistance block grant benefits if they do not meet regular food stamp program work requirements and (2) that each State operating a food assistance block grant implement an employment and training program under regular food stamp program rules. (p. 330)

Bars the Secretary from providing assistance for any program, project, or activity under a food assistance block grant if any person with operational responsibilities discriminates because of race, religion, color, national origin, sex, or disability. Also provides for enforcement through title VI of the Civil Rights Act. (p. 335)

Requires that, in each fiscal year, at least 80% of Federal funds expended under a State's block grant be for food assistance and not more than 6% be for administrative expenses. A State could provide food assistance to meet the 80% requirement in any manner it determines appropriate (such as electronic benefit transfers, coupons, or direct provision of commodities), but "food assistance" would be limited to assistance that may only be used to obtain food (as defined in the Food Stamp Act). (p. 333)

Provides that the Secretary may conduct research on the effects and costs of a State food assistance block grant program. (p. 338)

Present Law

House Bill

57. SPECIFIC PERIOD FOR PROHIBITING PARTICIPATION OF STORES BASED ON LACK OF BUSINESS INTEGRITY (Sec. 354 of Senate amendment)

No provision.

No provision.

58. INFORMATION FOR VERIFYING ELIGIBILITY FOR AUTHORIZATION (Sec. 355 of Senate amendment)

No provision.

No provision.

Authorizes the Secretary to issue regulations establishing specific time periods during which retailers/wholesalers that have been denied approval or had approval withdrawn on the basis of "business integrity and reputation" may not submit a new application for approval. The periods established would be required to reflect the severity of the business integrity infractions on which the denial/withdrawal was based. (p. 339)

Permits the Secretary to require that retailers and wholesalers seeking approval submit relevant income and sales tax filing documents. Permits regulations requiring retailers and wholesalers to provide written authorization for the Secretary to verify all relevant tax filings and to obtain corroborating documentation from other sources in order to verify the accuracy of information provided by retailers and wholesalers. (p. 340)

Present Law

House Bill

**59. BASES FOR SUSPENSIONS AND
DISQUALIFICATIONS (Sec. 357 of Senate
amendment)**

No provision.

No provision.

**60. PERMANENT DEBARMENT OF
RETAILERS WHO INTENTIONALLY
SUBMIT FALSIFIED APPLICATIONS (Sec.
360 of Senate amendment)**

No provision.

No provision.

**61. CATEGORICAL ELIGIBILITY (Sec. 107
of Senate amendment)**

Households in which all members are recipients of
AFDC are categorically eligible for food stamps.
[Sec. 5(a)]

No provision.

[Note: TANF households would presumably be
categorically eligible for food stamps under
existing provisions of law.]

Senate Amendment

Conference Agreement

Requires criteria for finding violations by retailers and wholesalers (and their suspension or disqualification) on the basis of evidence including on-site investigations, inconsistent redemption data, or electronic benefit transfer system transaction reports. (p. 341)

Requires regulations permanently disqualifying retailers and wholesalers that knowingly submit an application for approval that contains false information about a substantive matter. A permanent disqualification for a knowingly false application would be subject to administrative and judicial review, but the disqualification would remain in effect pending the review. (p. 344)

Provides that households in which all members are recipients of benefits under a State's family assistance block grant program be categorically eligible for food stamps, if the Secretary determines that the program complies with Secretarial standards that ensure that State program standards are comparable to or more restrictive than those in effect June 1, 1995. (p. 147)

Present Law

House Bill

Child support payments received by a household and excluded under the AFDC program may be disregarded for food stamps, at State option and expense. [Sec. 5(d)(13)]

No provision.

Household members who are AFDC recipients are considered to have met food stamp resource (asset) eligibility standards. [Sec. 5(j)]

No provision.

[Note: TANF recipients would presumably be considered to have met food stamp resource standards under existing provisions of law.]

Persons who are AFDC recipients are exempt from food stamp rules barring eligibility to most postsecondary students. [Sec. 6(e)]

No provision.

[Note: TANF recipients would presumably not be exempt from food stamp postsecondary student rules under existing provisions of law.]

In general, food stamp eligibility is barred to those with total (gross) household income above 130% of the Federal income poverty guidelines. [Sec. 5(c)]

No provision.

Senate Amendment**Conference Agreement**

Deletes the existing provision for a State-option child support disregard. (p. 147)

[Note: A separate provision (Sec. 5(m) of the Food Stamp Act) providing for State funding of the disregard is not deleted.]

Provides that persons receiving benefits under a State's family assistance block grant program will be considered to have met food stamp resource eligibility standards, if the Secretary determines that the program complies with Secretarial standards that ensure that State program standards are comparable to or more restrictive than those in effect June 1, 1995. (p. 147)

Provides that persons receiving benefits under a State's family assistance block grant program are exempt from food stamp rules barring eligibility to most postsecondary students, if the Secretary determines that the program complies with Secretarial standards that ensure that State program standards are comparable to or more restrictive than those in effect June 1, 1995. (p. 148)

Provides that households may not receive food stamp benefits as the result of eligibility under a State's family assistance block grant program unless the Secretary determines that households with income above 130% of the poverty guidelines are not eligible for the State's program -- notwithstanding any other provision of the Food Stamp Act. (p. 148)

Present Law

House Bill

Political subdivisions electing to operate workfare programs for food stamp recipients may comply with food stamp requirements by operating a workfare program under title IV of the Social Security Act. [Sec. 20(a)]

No provision.

Households exempt from food stamp work rules because of participation in an AFDC community work experience program are subject to a limit on the number of hours of work -- their cash assistance plus food stamps, divided by the minimum wage (but no person can be required to work more than 120 hours a month). [Sec. 20(a)]

No provision.

Senate Amendment**Conference Agreement**

Deletes the existing provision allowing compliance with food stamp workfare rules by operating a workfare program under title IV of the Social Security Act. (p. 150)

Deletes the existing rule placing limits on hours worked for food stamp recipients in community work experience programs. (p. 150)

Makes various technical amendments to the Food Stamp Act conforming its existing references to the AFDC program to cite the new family assistance block grant program. (p. 147)

Present Law

House Bill

**62. PROTECTION OF BATTERED
INDIVIDUALS (Sec. 701 of Senate amendment)**

No provision.

No provision.

[Note: Certain work rules contain a "good cause" exemption.]

In the case of individuals who were battered or subjected to extreme cruelty, permits States to exempt them from the following provisions of food stamp law (or modify their application) if their physical, mental, or emotional well-being would be endangered:

- the requirement that the income and resources of a sponsor of an alien be deemed to the sponsored alien;
- the requirement that custodial parents cooperate with child support agencies (as added by the Senate amendment); and
- all work requirements (including the new work requirement added by the Senate amendment). (p. 416)

Commodity Distribution

1. SHORT TITLE (Sec. 511 of House bill)

The Emergency Food Assistance Act (EFAA), The Hunger Prevention Act of 1988, The Commodity Distribution Reform Act and WIC Amendments, The Charitable Assistance and Food Bank Act of 1987, The Food Security Act of 1985, The Agriculture and Consumer Protection Act of 1973, and The Food, Agriculture, Conservation, and Trade Act of 1990.

Combines several existing commodity donation programs and authorities under one title, the *Commodity Distribution Act of 1995*. (p. 183)

2. AVAILABILITY OF COMMODITIES (Sec. 512 of House bill, Sec. 432 of Senate amendment)

Requires the Secretary to purchase a variety of nutritious and useful commodities using the resources of the CCC or Section 32 to supplement commodities acquired from the excess inventories of CCC for distribution to emergency feeding organizations. [Sec. 214(c) of Emergency Food Assistance Act (EFAA)]

For fiscal years 1996-2000, authorizes the Secretary of Agriculture to purchase a variety of nutritious and useful commodities to distribute to the States for purposes laid out in the subtitle. (p. 183)

In addition to commodities donated from excess CCC holdings, authorizes the Secretary to donate Section 32 commodities to eligible recipient agencies participating in TEFAP. [Sec. 202(c)]

Similar to current law, but also authorizes the use of Section 32 *funds* not otherwise used or needed, to purchase, process, and distribute commodities for purposes under the new program. (p. 183)

Requires the Secretary to make available to eligible recipient agencies, CCC commodities in excess of those needed to meet domestic and international obligations and market development and food aid commitments and to carry out farm price and income stabilization features of the AAA of 1938, the AA of 1949, and the CCC Charter. [Sec. 202(a), EFAA]

Leaves current general authority untouched; maintains EFAA requirement but adds language stipulating that donations are to be in addition to authorized Section 32 donations. (p. 184)

Senate Amendment

Conference Agreement

No provision.

Extends existing law purchasing authorities through FY2002. (p. 381)

No provision.

No provision.

Present Law

House Bill

3. BASIS FOR COMMODITY PURCHASES

(Sec. 512 of House bill)

Requires that commodities made available under the EFAA include a variety of items most useful to eligible recipient agencies, including dairy products, wheat and wheat products, rice, honey, and cornmeal. [Sec. 202(d), EFAA]

Requires the Secretary to determine the types, varieties, and amounts of commodities purchased under this subtitle, and to make such purchases, to the maximum extent practicable and appropriate, on the basis of agricultural market conditions, State and distributing agency preferences and needs, and the preferences of recipients. (p. 185)

**4. STATE AND LOCAL
SUPPLEMENTATION OF COMMODITIES**

(Sec. 513 of House bill)

Requires the Secretary to establish procedures by which State and local agencies, charitable institutions, or other person may supplement the commodities distributed under TEFAP for use by emergency feeding organizations with donations of nutritious and wholesome commodities. [Sec. 203D(a), EFAA]

Similar to current law except that supplementation applies to all programs eligible to receive commodities under the new program, not just TEFAP. (p. 185)

Allows States and emergency feeding organizations to use TEFAP funds, equipment, structures, vehicles, and all other facilities and personnel involved in the storage, handling, and distribution of TEFAP commodities to store, handle, or distribute commodities donated to supplement TEFAP commodities. [Sec. 203D(b), EFAA]

Similar to current law except it allows use of these sources to all programs eligible to participate in the new program (not just TEFAP), and explicitly identifies the funds that States and eligible agencies may use to help with supplemental commodities as those appropriated for administrative costs under the new Section 519(b). (p. 185)

Requires States and emergency feeding organizations to continue to use volunteer workers and commodities and foods donated by charitable and other organizations, to the maximum extent practical, in operating TEFAP.

Same as current law, except substitutes *recipient agencies* for *emergency feeding organizations* to reflect expansion of provisions to cover other commodity donation programs as well as TEFAP. (p. 186)

Senate Amendment

Conference Agreement

No provision.

No provision.

No provision.

No provision.

Present Law

House Bill

5. STATE PLAN (Sec. 514 of House bill)

No provision.

Requires Secretary to expedite the distribution of commodities to agencies designated by the Governor, or directly distribute commodities to eligible recipient agencies engaged in national commodity processing; allows States to give priority to donations to existing food bank networks serving low-income households. Requires States to expeditiously distribute commodities to eligible recipient agencies, and to encourage distribution to rural areas. Also requires States to distribute commodities only to agencies that serve needy persons and to set their own need criteria, with the approval of the Secretary. [Sec. 203B(a) and (c) of EFAA]

6. ADVISORY BOARD (Sec. 514 of House bill)

No provision.

Requires that States seeking commodities under this program submit a plan of operation and administration every four years for approval by the Secretary and allows amendment of the plan at any time. (p. 186)

Requires that, at a minimum, the State receiving commodities include in its plan --

- designation of the State agency responsible for distributing commodities;
- the plan of operation and administration to expeditiously distribute commodities in amounts requested by eligible recipient agencies;
- the standards of eligibility for recipient agencies; and
- the individual or household eligibility standards for commodity recipients, which shall require that they be needy, and residing in the geographic location served by the recipient agency. (p. 186)

Requires the Secretary to encourage States to establish advisory boards consisting of representatives of all interested entities, public and private, in the distribution of commodities. (p. 187)

Senate Amendment**Conference Agreement**

No provision.

No provision.

No provision.

Present Law

House Bill

**7. COOPERATIVE AGREEMENTS/
TRANSFERS (Sec. 514 of House bill)**

Permits States receiving TEFAP commodities to enter into cooperative agreements with agencies of other States to jointly provide commodities serving eligible recipients from each State in a single area, or to transfer commodities. [Sec. 203B(d)]

Similar to current law, except adds language specifying that the State may advise the Secretary of such agreements and transfers. (p. 187)

[Note: Because the new commodity distribution program covers more than TEFAP agencies, this represents a new provision for other recipient agencies now receiving commodities (e.g. CSFP, charitable institutions).]

**8. ALLOCATION OF COMMODITIES TO
STATES (Sec. 515 of House bill)**

Requires Secretary to allocate commodities purchased for TEFAP to States in the following proportions:

- 60% of the value of commodities available based on each State's proportion of the national total of persons with incomes below the poverty line; and
- 40% based on each State's proportion of the national total of the average monthly number of unemployed persons.

Similar to current law as relates to allocation of TEFAP commodities. CSFP commodities are exempted from the allocation method, however, other recipient agencies currently receiving commodities under authority other than the EFAA (e.g. charitable institutions) are covered by the allocation formula. (p. 188)

Senate Amendment

Conference Agreement

No provision.

No provision.

Present Law

House Bill

9. NOTIFICATION (Sec. 515 of House bill)

Requires the Secretary to notify each State of the amount of commodities it is allotted to receive. Requires each State to notify the Secretary promptly if it will not accept commodities available to it, and requires the Secretary to reallocate and distribute such commodities as he deems appropriate and equitable. Further requires the Secretary to establish procedures to permit State to decline portions of commodity allocations during each fiscal year and to reallocate and distribute such commodities, as deemed appropriate and equitable. [Sec. 214(g), EFAA]

Same as current law, except applies to all eligible agencies receiving commodities, not just TEFAP agencies. (p. 189)

10. DISASTERS (Sec. 515 of House bill)

Permits the Secretary to request that States consider assisting other States where substantial numbers of persons have been affected by drought, flood, hurricane or other natural disasters by allowing the Secretary to reallocate commodities to those States affected by such disasters. [Sec. 214(g), EFAA]

Same as current law. (p. 189)

11. NATIONAL COMMODITY PROCESSING (Sec. 434 of Senate amendment)

Requires through FY1995 that the Secretary encourage agreements with private companies for reprocessing into end-use products those commodities donated at no charge to nutrition programs. [Sec. 1114(a)(2)(A) of Agriculture and Food Act of 1981]

No provision.

Senate Amendment

Conference Agreement

No provision.

No provision.

Extends national commodity processing provision through FY2002. (p. 382)

Present Law

House Bill

12. PURCHASES AND TIMING (Sec. 515 of House bill)

Requires that in each fiscal year, the Secretary purchase commodities at times and under conditions determined appropriate; deliver such commodities at reasonable intervals to States (but no later than the end of the fiscal year), based on the allocation formula, and entitles each State to the additional commodities purchased for TEFAP in amounts based on the allocation formula. [Sec. 214(h), EFAA]

Similar to current law except for reference to CSFP, deletion of language relating to "additional" commodities, and requirement that commodities be delivered by December 31 of the following fiscal year. (p. 190)

13. PRIORITY SYSTEM FOR STATE DISTRIBUTION OF COMMODITIES (Sec. 516 of House bill)**A. Emergency Feeding Organizations**

Requires States to give priority for commodities to emergency feeding organizations if sufficient commodities are not available to meet requests of all eligible agencies, and encourages States to distribute commodities to rural areas. [Sec. 203B(b), EFAA]

Requires that in distributing commodities allocated under this section for other than CSFP, the State agency offer its full allocation of commodities to emergency feeding organizations. (p. 190)

B. Charitable Institutions

No provision.

Permits States agencies to distribute commodities that are not able to be used by emergency feeding organizations to charitable institutions (excluding penal institutions) that do not receive commodities as emergency feeding organizations. (p. 190)

Senate Amendment

Conference Agreement

No provision.

No provision.

No provision.

Present Law

House Bill

C. Other Eligible Agencies

No provision.

Permits the State agency to distribute commodities that are not able to be used by emergency feeding organizations or other charitable institutions to other eligible recipient agencies not receiving commodities under the previous distributions. (p. 191)

14. INITIAL PROCESSING COSTS (Sec. 517 of House bill)

Permits the Secretary to use CCC funds to pay the cost of initial processing and packaging of commodities distributed under this Act into forms and quantities the Secretary determines are suitable for use by individual households or institutional use. Permits payment in the form of commodities equal in value to the cost, and requires the Secretary to ensure that such payments in kind do not displace commercial sales. [Sec. 203A, EFAA]

Similar to present law, except substitutes term "eligible recipient agencies" for "institutional use." (p. 191)

15. ASSURANCES; ANTICIPATED USE (Sec. 518 of House bill)

Requires the Secretary to take precautions to assure that eligible recipient agencies and persons receiving commodities do not diminish their normal expenditures for food because of receipt of commodities, and to ensure that commodities made available under the Act do not displace commercial sales. Prohibits Secretary from donating commodities in a quantity or manner that will substitute for agricultural produce that otherwise would be purchased in the market. Requires Secretary to submit a report to the Congress each year on whether and to what extent displacement or substitution is occurring. [Sec. 203C(a)]

Similar to current law but does not refer to individual displacement or substitutions or prohibit donation in a quantity or manner that might interfere with market sales. Also sets December 1997, and at least every two years thereafter as the dates for displacement reports. (p. 191)

Senate Amendment**Conference Agreement**

No provision.

No provision.

No provision.

Present Law

House Bill

16. WASTE (Sec. 518 of House bill)

Requires that the Secretary purchase and distribute commodities in quantities that can be consumed without waste, and prohibits eligible recipient agencies receiving commodities under this Act from receiving commodities in excess of anticipated use (based on inventory records and controls), or in excess of their ability to accept and store. [Sec. 203C(b)]

Same as present law. (p. 192)

**17. AUTHORIZATION OF
APPROPRIATIONS (Sec. 519 of House bill,
Sec. 432 of Senate amendment)****A. Commodity Purchases**

Authorizes \$175 million for FY1991, \$190 million for FY1992, and \$220 million for each of FY1993-1995 to purchase, process and distribute additional commodities to TEFAP agencies. [Sec. 214(e)]

Authorizes \$260 million annually for each of fiscal years 1996 through 2000 to purchase, process, and distribute commodities to States for distribution to eligible recipient agencies, which include charitable institutions and CSFP agencies, as well as TEFAP agencies. (p. 192)

Senate Amendment

Conference Agreement

No provision.

Extends funding authority for commodity purchases at \$220 million annually through FY2002. (p. 381)

Present Law

House Bill

B. Administrative Funding

Authorizes \$50 million for FY1991-95 for the Secretary to make available to States for State and local payments of costs associated with the distribution of commodities by eligible recipient agencies. Requires Secretary to allocate funds to States on advance basis in the same proportion as the proportion each State receives of allocated commodities, and requires the Secretary to reallocate funds not able to be used by a State to other States in an appropriate and equitable manner. Permits States to use funds for costs associated with the distribution of additional commodities purchased for the program and for soup kitchens and food banks. [Sec. 204(a)(1)]

Authorizes \$40 million annually for each of fiscal years 1996 through 2000 for payments to States and local agencies (except for the CSFP) for the costs associated with transporting, storing, and handling commodities other than those distributed to CSFP agencies. Same as current law with respect to allocations and reallocations, and advanced funding. No specific reference to soup kitchens and food banks, which are included as eligible recipient agencies. (p. 192)

18. LOCAL ADMINISTRATIVE PAYMENTS
(Sec. 519 of House bill)

Requires each State to make available not less than 40% of the funds it receives for administrative costs in each fiscal year to pay for, or provide advance payments to eligible recipient agencies, for allowable expenses incurred by such agencies in distributing commodities to needy persons. Defines "allowable expenses" to include the costs of transporting, storing, handling, repackaging and distributing commodities after receipt by the eligible recipient agency; costs associated with eligibility, verification, and documentation of eligibility; costs of providing information to commodity recipients on appropriate storage and preparation of commodities; and costs of recordkeeping, auditing, and other required administrative procedures. [Sec. 204(a)(2), EFAA]

Same as current law except also applies to non-TEFAP agencies. (p. 193)

Senate Amendment

Conference Agreement

Extends authority for administrative funding at \$50 million annually through FY2002. (p. 381)

No provision.

Present Law

House Bill

19. STATE COVERAGE OF LOCAL COSTS

(Sec. 519 of House bill)

Requires that amounts of funding that States use to cover the allowable expenses of eligible recipient agencies be counted toward the amount a State must make available from administrative funding provided under this Act for eligible recipient agencies. [Sec. 204(a)(2), EFAA]

Same as present law except that it references the CSFP, which is excluded from this rule. (p. 194)

20. FINANCIAL REPORTS (Sec. 519 of House bill)

Requires States receiving funds to submit financial reports on a regular basis to the Secretary on the use of such funds and prohibits any such funds from being used by States for costs other than those used to the distribution of commodities by eligible recipient agencies. [Sec. 204(a)(3), EFAA]

Same as present law. (p. 194)

21. NON-FEDERAL MATCHING FUNDS

(Sec. 519 of House bill)

Requires that each State receiving administrative funds under this subsection provide cash or in-kind contributions from non-Federal sources in an amount equal to the amount of Federal administrative funds it receives that are not distributed to eligible recipient agencies or used to cover the expenses of such agencies. Permits States to receive administrative funding prior to satisfying the matching requirement, based on their estimated contribution, and requires the Secretary to periodically reconcile estimated and actual contributions to correct for overpayments and underpayments. [Sec. 204(a)(4), EFAA]

Same as present law, except excludes administrative funds distributed for the CSFP from the non-Federal matching requirements and rules. (p. 195)

Senate Amendment

Conference Agreement

No provision.

No provision.

No provision.

Present Law

House Bill

22. FEDERAL CHARGES (Sec. 519 of House bill)

Prohibits any charge against the appropriations authorized by this section for the value of commodities donated for the purposes of this Act, or for the funds used by the CCC for the costs of initial processing, packaging, and delivery of program commodities to the States. [Sec. 204(b), EFAA]

Similar to present law except it applies the prohibition to bonus donations of Section 32 and CCC commodities, as well as those bought for the program. (p. 196)

23. STATE CHARGES (Sec. 519 of House bill)

Prohibits States from charging for commodities made available to eligible recipient agencies and from passing along the cost of matching requirements. [Sec. 204(a)(5), EFAA]

Same as present law. (p. 196)

24. MANDATORY FUNDING FOR NUTRITION PROGRAM COMMODITIES (Sec. 432 of Senate amendment)

For each of fiscal years 1994-1996, requires \$230,000 of Treasury funds not otherwise appropriated to be provided to the Secretary to purchase, process and distribute commodities that are low in saturated fats, sodium, and sugar, and a good source of calcium, protein, and other nutrients to 2 States, selected by the Secretary, to carry out a three year project to improve the health of low-income participants of TEFAP. Requires that commodities be easy for low-income families to store, use, and handle, and include low-sodium peanut butter, low-fat and low sodium cheeses and canned meats, fruits, and vegetables. Also requires that \$5000 of the amount provided be given to each of the participating States to help with administrative costs. [Sec. 13962 of OBRA, 1993]

No provision.

Senate Amendment

Conference Agreement

No provision.

No provision.

Extends this requirement through FY2002. (p. 382)

Present Law

House Bill

25. COMMODITY SUPPLEMENTAL FOOD PROGRAM (CSFP) - AUTHORIZATION (Sec. 520 of House bill, Sec. 431 of Senate amendment)

For each of fiscal years 1991-1995, authorizes the Secretary to purchase and distribute sufficient agricultural commodities with appropriated funds to maintain the traditional level of assistance for food programs including the supplemental food programs for women, infants, children, and the elderly. [Sec. 4(a), Agriculture and Consumer Protection Act of 1973]

26. CSFP ADMINISTRATIVE FUNDING (Sec. 520 of House bill, Sec. 431 of Senate amendment)

Requires the Secretary to provide administrative funds to State and local agencies administering the CSFP for each of fiscal years 1991-1995. Authorizes appropriations in an amount equal to not more than 20% of the value of commodities purchased for the program. [Sec. 5(a), Agriculture and Consumer Protection Act of 1973]

Defines administrative costs to include expenses for information and referral, operation, monitoring, nutrition education, start-up costs, and general administration (including staff, warehouse, and transportation personnel, insurance and administration of the State or local office. [Sec. 5(c), Agriculture and Consumer Protection Act of 1973]

Requires that \$94.5 million of the amount appropriated for programs under this subtitle for the period FY1996-2000 be used each fiscal year to purchase and distribute commodities to supplemental feeding programs for women, infants, and children, or elderly individuals participating in the commodity supplemental food program. (p. 196)

Requires that not more than 20% of the funds made available for commodity purchase and distribution for the CSFP be made available to States for the State and local payments of costs associated with the distribution of commodities by CSFP agencies. (p. 196)

Same as present law. (p. 197)

Senate Amendment

Conference Agreement

Extends present law authority through FY2002.
(p. 381)

Extends present law authority through FY2002.
(p. 381)

No provision.

Present Law

House Bill

**27. CSFP - COMMODITY PURCHASES AND
ADVANCE WARNING (Sec. 520 of House bill)**

Permits the Secretary to determine the types, varieties, and amounts of commodities purchased for the CSFP, but requires the Secretary to report to the House and Senate Agriculture Committees plans for significant changes from commodities available or planned at the beginning of the fiscal year before implementing such changes.

Same as present law. (p. 197)

**28. CHEESE AND NONFAT DRY MILK (Sec.
520 of House bill, Sec. 431 of Senate amendment)**

In each of fiscal years 1991-1995, the CCC is required to provide at least 9 million pounds of cheese and 4 million pounds of nonfat dry milk (to the extent inventory levels permit), for the Secretary to use, before the end of each fiscal year, to carry out the CSFP. [Sec. 5(d)(2), Agriculture and Consumer Protection Act of 1973]

Implements this present law provision for fiscal years 1996-2000, otherwise it is exactly the same as present law. (p. 197)

**29. ADDITIONAL CSFP SITES (Sec. 520 of
House bill)**

Requires the Secretary to approve additional sites each fiscal year, including sites serving the elderly, in areas where the program does not operate to the full extent that applications can be approved within the funding available, and without reducing participation levels (including the elderly) in areas where the program is in effect. [Sec. 5(f), Agriculture and Consumer Protection Act of 1973]

Same as present law. (p. 198)

Senate Amendment

Conference Agreement

No provision.

Extends present law provision through FY2002.
(p. 381)

No provision.

Present Law

House Bill

30. ADDITIONAL RECIPIENTS (Sec. 520 of House bill)

Permits a local agency to serve low-income elderly persons, with the approval of the Secretary, if it determines that the amount of assistance it receives is more than is needed to provide assistance to women, infants and children. [Sec. 5(g), Agriculture and Consumer Protection Act of 1973]

Same as present law. (p. 198)

31. COMMODITY PRICE INCREASES (Sec. 520 of House bill)

Requires the Secretary to determine the decline in the number of persons able to be served by the CSFP if the price of one or more commodities purchased for the program is significantly higher than expected; to promptly notify State agencies operating programs of the decline; and ensure that State agencies notify local agencies of the decline. [Sec. 5(j)(1) and (2), Agriculture and Consumer Protection Act of 1973]

Same as present law. (p. 198)

32. AFFECT OF CSFP COMMODITIES ON OTHER RECIPIENT AGENCIES (Sec. 520 of House bill).

No provision.

Stipulates that commodities distributed to CSFP agencies under this section not be considered when determining commodity allocations to States for other eligible recipient agencies receiving commodities under this Act, or in following the priority for distribution of commodities to such agencies. (p. 199)

Senate Amendment**Conference Agreement**

No provision.

No provision.

No provision.

Present Law

House Bill

33. COMMODITIES NOT INCOME (Sec. 521 of House bill)

Specifies that commodities distributed under this Act not be considered income or resources for any purposes under Federal, State, or local law. [Sec. 206, EFAA]

Similar to present law, but narrower. Specifies that receipt of commodities cannot be considered in "determining eligibility for any Federal, State, or local "means-tested program," instead of the broader "any purposes" outlined in present law. (p. 199)

34. PROHIBITION ON STATE CHARGES (Sec. 522 of House bill)

Prohibits States from charging eligible recipient agencies any amount that exceeds the difference between the State's direct costs of storing and transporting commodities to recipient agencies and the amount of funds provided for this purpose by the Secretary. [Sec. 208, EFAA]

Same as present law. (p. 199)

35. DEFINITIONS (Sec. 523 of House bill)**A. Average Monthly Number of Unemployed Persons**

The average monthly number of unemployed persons within a State in the most recent fiscal year for which information is available, as determined by the Bureau of Labor Statistics of the Department of Labor. [Sec. 2143(b), EFAA]

Same as present law. (p. 200)

B. Elderly Persons

No provision.

Defines "elderly persons" to mean persons 60 years or older. (p. 200)

Senate Amendment

Conference Agreement

No provision.

No provision.

No provision.

No provision.

Present Law

House Bill

C. Eligible Recipient Agencies; Emergency Feeding Organizations

Combines definition of "eligible recipient agencies" and "emergency feeding organizations, as follows: "Eligible recipient agency" means public or non-profit organizations that administer activities or projects providing nutrition assistance to relieve situations of emergency and distress through the provision of food to needy persons (including those in charitable institutions, food banks, hunger centers, soup kitchens, and similar non-profit recipient agencies (hereinafter referred to as "emergency feeding organizations"); and school lunch, summer camps, and child nutrition meal service, elderly feeding programs, CSFP, charitable institutions for the needy, and disaster relief. [Sec. 201A, EFAA]

D. Food Bank

The term "food bank" means a public and charitable institution that maintains an established operation providing food to food pantries, soup kitchens, hunger relief centers, or other feeding centers that provide meals or food to feed needy persons on a regular basis as an integral part of their normal activity. [Sec. 110, Hunger Prevention Act of 1988]

Similar to present law, but separates into two separate definitions, as follows:

Defines "eligible recipient agency" to mean a public or non-profit organization that administers:

- an institution operating a CSFP;
- an emergency feeding organization (EFO);
- a charitable institution (including a hospital and a retirement home, but excluding a penal institution) serving needy persons;
- a summer camp for children or a child nutrition food service program;
- an elderly feeding program; or
- a disaster relief program.

Defines "emergency feeding organization" to mean public or private organizations that administer activities and projects (including charitable institutions, food banks and pantries, hunger relief centers, soup kitchens, or similar non-profit eligible agencies) providing nutrition assistance to relieve situations of emergency and distress by providing food to needy persons, including low-income and unemployed persons. (p. 200)

Same as present law. (p. 201)

Senate Amendment

Conference Agreement

No provision.

No provision.

Present Law

House Bill

E. Food Pantry

Defines "food pantry" to mean a public or private nonprofit organization distributing food (including other than USDA food) to low-income and unemployed households to relieve situations of emergency and distress. [Sec. 110, Hunger Prevention Act of 1988]

Same as present law. (p. 202)

F. Needy Persons

No provision.

Defines "needy persons" to mean individuals who have low incomes or are unemployed as determined by the State, as long as this is not higher than 185% of the poverty line; households certified as food stamp participants or individuals participating in other Federally-supported means-tested programs. (p. 202)

G. Poverty Line

The term "poverty line" is the same as the term used in Section 673(2) of the Community Services Block Grant Act (42 U.S.C.9902(2)). [Sec. 110, Hunger Prevention Act]

Same as present law. (p. 203)

H. Soup Kitchen

The term "soup kitchen" means a public and charitable institution that, as an integral part of its normal activities, maintains an established feeding operation for needy homeless persons on a regular basis. [Sec. 110, Hunger Prevention Act]

Same as present law. (p. 203)

Senate Amendment

Conference Agreement

No provision.

No provision.

No provision.

No provision.

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Present Law

House Bill

36. REGULATIONS (Sec. 524 of House bill)

Requires the Secretary to issue regulations within 30 days to implement this subtitle; to minimize to the extent practicable the regulatory, recordkeeping and paperwork requirements imposed on eligible recipient agencies, to publish in the Federal Register as early as feasible, but not later than the beginning of each fiscal year, an estimate of the types and quantities of commodities anticipated to be available; and to include in regulations provisions that set standards relating to liability for commodity losses when there is no evidence of negligence or fraud, and establish conditions for payment to cover such losses, taking into account the special needs and circumstances of the recipient agencies. [Sec. 210, EFAA]

Similar to present law except provides 120 days for Secretary to issue regulations and includes reference to "non-binding" nature of Secretary's estimates of donations. (p. 203)

37. FINALITY OF DETERMINATIONS (Sec. 525 of House bill)

Specifies that determinations made by the Secretary concerning the types and quantities of commodities donated under this subtitle, when in conformance with applicable regulations, be final and conclusive and not reviewable by any other officer or agency of the Government. [Sec. 211, EFAA]

Same as present law. (p. 204)

Present Law

House Bill

**38. PROHIBITION ON SALE OF
COMMODITIES (Sec. 526 of House bill)**

Prohibits the sale or disposal of commodities in commercial channels in any form, except as permitted under Section 517 for in-kind payment of initial processing costs by the CCC. [Sec. 205(b), EFAA]

Same as present law. (p. 204)

**39. SETTLEMENT OF CLAIMS (Sec. 527 of
House bill)**

Gives the Secretary or designee authority to determine the amount of, settle and adjust any claim arising under this subtitle, and waive any claim when the Secretary determines it will serve the purposes of this Act. Specifies that nothing in this Act diminishes the authority of the Attorney General to conduct litigation on behalf of the United States. [Sec. 215, EFAA]

Same as present law. (p. 204)

Senate Amendment

Conference Agreement

No provision.

No provision.

Present Law**House Bill**

40. REPEALERS AND AMENDMENTS (Sec. 528 of House bill)

No provision.

Repeals the Emergency Food Assistance Act of 1983. (p. 205)

In the Hunger Prevention Act of 1988, strikes Section 110 (soup kitchens and food banks); Subtitle C of Title II (Food processing and distribution); and Section 502 (food bank demonstration project).

Strikes Section 4 of the Commodity Distribution Reform Act of 1987 (Food bank demonstration).

Strikes Section 3 of the Charitable Assistance and Food Bank Act of 1987.

Amends the Food Security Act of 1985 by striking Section 1571, and striking Section 4 of the Agriculture and Consumer Protection Act (CSFP) and inserting Section 110 of the Commodity Distribution Act of 1995.

In the Agriculture and Consumer Protection Act of 1973:

- In Section 4(a) strikes "institutions (including hospitals and facilities caring for needy infants and children) supplemental feeding programs serving women, infants, and children, and elderly, or both, wherever located, disaster areas, summer camps for children" and inserting "disaster areas";

Senate Amendment

Conference Agreement

No provision.

THE HOUSE REPORTS TO THE SENATE
ON THE CONFERENCE AGREEMENT
ON THE BILLS

SECTION 101
SECTION 102
SECTION 103
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SECTION 129
SECTION 130

Present Law**House Bill**

- In subsection 4(c) strikes "the Emergency Food Assistance Act of 1983" and inserts "The Commodity Distribution Act of 1995"; and

- Strikes Section 5.

In the Food Agriculture, Conservation, and Trade Act of 1990, strikes Section 1773(f). (p. 206)

Senate Amendment

Conference Agreement

Mr. [unclear]

[unclear]
[unclear]
[unclear]

[unclear]

[unclear]
[unclear]