

(2) an explanation of why the project is important to the small community;

(3) a description of all actions taken with respect to the project as of the date of the application, including any attempt to secure funding; and

(4) a description of demonstrated need for funding for the project.

(f) Awards

(1) In general

Not later than May 1 of each fiscal year, a State rural development director, in coordination with the council and the environmental protection director of the State, shall—

(A) review all applications received by the State rural development director under subsection (e) of this section; and

(B) award SEARCH grants to small communities based on—

(i) an evaluation of whether the proposed project meets the eligibility criteria under subsection (d) of this section; and

(ii) the content of the application.

(2) Administration

In awarding a SEARCH grant, a State rural development director—

(A) shall award the funds for any recommended environmental project in a timely and expeditious manner; and

(B) shall not award a SEARCH grant to a grantee or project in violation of any Federal or State law (including a regulation).

(3) Matching requirement

A small community that receives a SEARCH grant under this section may be required to provide matching funds.

(g) Unexpended funds

(1) In general

If, for any fiscal year, any unexpended funds remain after SEARCH grants are awarded by a State rural development director under subsection (f) of this section, the State rural development director, in coordination with the environmental protection director of the State, may repeat the application and review process so that any remaining funds are recommended for award, and awarded, not later than July 30 of the fiscal year.

(2) Retention of funds

(A) In general

Any unexpended funds that are not awarded under subsection (f) of this section or paragraph (1) shall be retained by the State rural development director for award during the following fiscal year.

(B) Limitation

A State SEARCH account that accumulates a balance of unexpended funds described in subparagraph (A) in excess of \$2,000,000 shall be ineligible to receive additional funds for SEARCH grants until such time as the State rural development director awards grants in the amount of the excess.

(Pub. L. 107-171, title VI, §6302, May 13, 2002, 116 Stat. 422.)

CODIFICATION

Section was enacted as part of the Farm Security and Rural Investment Act of 2002, and not as part of the

Consolidated Farm and Rural Development Act which comprises this chapter.

§ 2009ee-2. Report

Not later than 30 days after the end of the first fiscal year for which SEARCH grants are awarded, and annually thereafter, the Secretary shall submit to the Committee on Energy and Commerce and the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(1) describes the number of SEARCH grants awarded during the fiscal year;

(2) identifies each small community that received a SEARCH grant during the fiscal year;

(3) describes the project or purpose for which each SEARCH grant was awarded, including a statement of the benefit to public health or the environment of the environmental project receiving the grant funds; and

(4) describes the status of each project or portion of a project for which a SEARCH grant was awarded, including a project or portion of a project for which a SEARCH grant was awarded for any previous fiscal year.

(Pub. L. 107-171, title VI, §6303, May 13, 2002, 116 Stat. 424.)

CODIFICATION

Section was enacted as part of the Farm Security and Rural Investment Act of 2002, and not as part of the Consolidated Farm and Rural Development Act which comprises this chapter.

§ 2009ee-3. Funding

(a) Allocation to State rural development directors

(1) Authorization of appropriations

There is authorized to be appropriated to carry out section 2009ee-1(b) of this title \$51,000,000 for each of fiscal years 2002 through 2007, of which not to exceed \$1,000,000 shall be used to make grants under section 2009ee-1(b)(2) of this title.

(2) Actual appropriation

If funds to carry out section 2009ee-1(b) of this title are made available for a fiscal year in an amount that is less than the amount authorized under paragraph (1) for the fiscal year, the Secretary shall divide the appropriated funds for the fiscal year equally among the 50 States.

(b) Other expenses

There are authorized to be appropriated such sums as are necessary to carry out this subchapter (other than section 2009ee-1(b) of this title).

(Pub. L. 107-171, title VI, §6304, May 13, 2002, 116 Stat. 424.)

CODIFICATION

Section was enacted as part of the Farm Security and Rural Investment Act of 2002, and not as part of the Consolidated Farm and Rural Development Act which comprises this chapter.

CHAPTER 51—FOOD STAMP PROGRAM

Sec.

2011. Congressional declaration of policy.

<p>Sec. 2012. Definitions. 2012a. Publicly operated community health centers. 2013. Establishment of program. (a) Use of coupons; redeemability. (b) Distribution of federally donated foods. (c) Regulations; transmittal of copy of regulations to Congressional committees prior to issuance.</p> <p>2014. Eligible households. (a) Income and other financial resources as substantial limiting factors in obtaining more nutritious diet; recipients under Social Security Act. (b) Eligibility standards. (c) Gross income standard. (d) Income excluded in computing household income. (e) Deductions from income. (f) Calculation of household income; prospective or retrospective accounting basis; consistency. (g) Allowable financial resources which eligible household may own. (h) Temporary emergency standards of eligibility; Food Stamp Disaster Task Force; direct assistance to State and local officials. (i) Attribution of income and resources to sponsored aliens; coverage, computations, etc. (j) Resource exemption for otherwise exempt households. (k) Assistance to third parties included; educational benefits; exceptions. (l) Earnings to participants of on-the-job training programs; exception. (m) Simplified calculation of income for self-employed. (n) State options to simplify determination of child support payments.</p> <p>2015. Eligibility disqualifications. (a) Additional specific conditions rendering individuals ineligible. (b) Fraud and misrepresentation; disqualification penalties; ineligibility period; applicable procedures. (c) Refusal to provide necessary information. (d) Conditions of participation. (e) Students. (f) Aliens. (g) Residents of States which provide State supplementary payments. (h) Transfer of assets to qualify. (i) Comparable treatment for disqualification. (j) Disqualification for receipt of multiple food stamp benefits. (k) Disqualification of fleeing felons. (l) Custodial parent's cooperation with child support agencies. (m) Noncustodial parent's cooperation with child support agencies. (n) Disqualification for child support arrears. (o) Work requirement.</p> <p>2016. Issuance and use of coupons. (a) Printing. (b) Approved food stores; receipt of cash in change for coupons used to purchase food. (c) Design of coupons. (d) Coupon level inventories; monitoring; monthly operations report. (e) Delivery and control procedures. (f) State issuance liability. (g) Alternative system or documents; costs.</p>	<p>Sec. (h) Staggered issuance procedures. (i) Electronic benefit transfers. (j) State option to issue benefits to certain individuals made ineligible by welfare reform. (k) Interoperability and portability of electronic benefit transfer transactions.</p> <p>2017. Value of allotment. (a) Calculation. (b) Benefits not deemed income or resources for certain purposes. (c) First month benefits prorated. (d) Reduction of public assistance benefits. (e) Allotments for households residing in centers. (f) Alternative procedures for residents of certain group facilities.</p> <p>2018. Approval of retail food stores and wholesale food concerns. (a) Applications; qualifications; certificate of approval; periodic reauthorization. (b) Effective and efficient operation of program; effect of disqualification; posting of bond. (c) Information submitted by applicants; safeguards; disclosure to and use by State agencies. (d) Hearing upon failure of applicant to receive approval; waiting period for new application. (e) Reporting of abuses by public. (f) Limitation on participation of household-to-house trade routes.</p> <p>2019. Redemption of coupons. 2020. Administration. (a) State responsibility; records, inspection, and audit. (b) Correction of improper denials and underissuances. (c) Discrimination prohibited. (d) Plan of operation by State agency; approval by Secretary; Indians. (e) Requisites of State plan of operation. (f) Nutrition education. (g) State noncompliance; correction of failures. (h) Deposit by State to cover fraudulently or negligently issued coupons. (i) Application and denial procedures. (j) Notice of availability of benefits and applications; revision of memorandum of understanding. (k) Use of post offices. (l) Special financial audit review of high participation States. (m) Alaskan fee agents; use and services. (n) Verification by State agencies. (o) Data processing systems; model plan; comprehensive automation and computerization; State plans; evaluation and report to Congress; corrective measures by State; time for implementation. (p) State verification option. (q) Denial of food stamps for prisoners. (r) Denial of food stamps for deceased individuals. (s) Transitional benefits option. (t) Grants for simple application and eligibility determination systems and improved access to benefits. (u) Agreement for direct certification and cooperation.</p> <p>2021. Civil money penalties and disqualification of retail food stores and wholesale food concerns.</p>
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Sec.		Sec.	
	(a) Disqualification or civil penalty.		(i) Testing resource accumulation.
	(b) Period of disqualification.		(j) Demonstration projects directed at food coupon trafficking.
	(c) Review.		
	(d) Bonds.	2027.	Appropriations and allotments.
	(e) Transfer of ownership; penalty in lieu of disqualification period; fines for acceptance of loose coupons; judicial action to recover penalty or fine.		(a) Authorization of allotments; monthly reports of expenditures to Congressional committees; restriction on use of funds; nutrition education improvements.
	(f) Fines for unauthorized third parties that accept food stamps.		(b) Limitation of value of allotments; reduction of allotments.
	(g) Disqualification of retailers who are disqualified under WIC program.		(c) Manner of reducing allotments.
2022.	Disposition of claims.		(d) Requisite action by Secretary to reduce allotments; statement to Congressional committees.
	(a) General authority of the Secretary.		(e) Disposition of funds collected pursuant to claims.
	(b) Collection of overissuances.		(f) Transfer of funds.
	(c) Food stamp intercept of unemployment benefits.	2028.	Consolidated block grants for Puerto Rico and American Samoa.
	(d) Recovery of overissuance of coupons.		(a) Payments to governmental entities.
2023.	Administrative and judicial review; restoration of rights.		(b) Plan for provision of assistance; approval; noncompliance.
2024.	Violations and enforcement.		(c) Review; technical assistance.
	(a) Coupon redemption.		(d) Penalty for violations.
	(b) Unauthorized use, transfer, acquisition, alteration, or possession of coupons or authorization cards; restitution by convicted individuals.	2029.	Workfare.
	(c) Presentation for payment or redemption of coupons that have been illegally received, transferred, or used.		(a) Program plan; guidelines; compliance.
	(d) Coupons as obligations of the United States.		(b) Exempt household members.
	(e) Failure to provide monthly operations report; violation of regulations; delivery and control procedures.		(c) Valuation or duration of work.
	(f) Liability for financial losses involved in acceptance, storage, and issuance of coupons.		(d) Nature, conditions, and costs of work.
	(g) Forfeiture of property involved in illegal food stamp transactions.		(e) Job search period.
	(h) Criminal forfeiture.		(f) Disqualification.
2025.	Administrative cost-sharing and quality control.		(g) Payment of administrative expenses.
	(a) Administrative costs.	2030.	Washington Family Independence Demonstration Project.
	(b) Work supplementation or support program.		(a) In general.
	(c) Quality control system.		(b) Nature of Project.
	(d) Bonuses for States that demonstrate high or most improved performance.		(c) Funding.
	(e) Use of social security account numbers; access to information.		(d) Project application.
	(f) Payment of certain legal fees.		(e) Waiver.
	(g) Cost sharing for computerization.		(f) Construction.
	(h) Funding of employment and training programs.		(g) Project audits.
	(i) Geographical error-prone profiles.		(h) Evaluation.
	(j) Training materials regarding certification of farming households.	2031.	Food stamp portion of Minnesota Family Investment Plan.
	(k) Reductions in payments for administrative costs.		(a) In general.
2026.	Research, demonstration, and evaluations.		(b) Required terms and conditions of Project.
	(a) Contracts or grants; issuance of aggregate allotments.		(c) Additional terms and conditions of Project.
	(b) Pilot projects.		(d) Funding.
	(c) Evaluation measures; pilot programs for nutritional monitoring.		(e) Waiver.
	(d) Employment initiatives program.		(f) Project audits.
	(e) Study and report to Congressional committees of effect of reduction of benefits.		(g) Construction.
	(f) Demonstration projects for development and use of intelligent computer benefit cards to pay food stamp benefits.		(h) Quality control.
	(g) Study of effectiveness of food stamp employment and training program.		(i) Evaluation.
	(h) Demonstration projects for vehicle exclusion limits.		(j) Definitions.
		2032.	Automated data processing and information retrieval systems.
			(a) Standards and procedures for reviews.
			(b) Standards for approval of systems.
			(c) Report.
		2033.	Repealed.
		2034.	Assistance for community food projects.
			(a) "Community food projects" defined.
			(b) Authority to provide assistance.
			(c) Eligible entities.
			(d) Preference for certain projects.
			(e) Matching funds requirements.
			(f) Term of grant.
			(g) Technical assistance and related information.
			(h) Innovative programs for addressing common community problems.
		2035.	Simplified Food Stamp Program.
			(a) "Federal costs" defined.
			(b) Election.
			(c) Operation of Program.

- Sec. (d) Approval of Program.
 (e) Increased Federal costs.
 (f) Rules and procedures.
2036. Availability of commodities for emergency food assistance program.
 (a) Purchase of commodities.
 (b) Basis for commodity purchases.

§ 2011. Congressional declaration of policy

It is declared to be the policy of Congress, in order to promote the general welfare, to safeguard the health and well-being of the Nation's population by raising levels of nutrition among low-income households. Congress finds that the limited food purchasing power of low-income households contributes to hunger and malnutrition among members of such households. Congress further finds that increased utilization of food in establishing and maintaining adequate national levels of nutrition will promote the distribution in a beneficial manner of the Nation's agricultural abundance and will strengthen the Nation's agricultural economy, as well as result in more orderly marketing and distribution of foods. To alleviate such hunger and malnutrition, a food stamp program is herein authorized which will permit low-income households to obtain a more nutritious diet through normal channels of trade by increasing food purchasing power for all eligible households who apply for participation.

(Pub. L. 88-525, § 2, Aug. 31, 1964, 78 Stat. 703; Pub. L. 91-671, § 1, Jan. 11, 1971, 84 Stat. 2048; Pub. L. 95-113, title XIII, § 1301, Sept. 29, 1977, 91 Stat. 958.)

AMENDMENTS

1977—Pub. L. 95-113 substituted “a more nutritious diet” for “a nutritionally adequate diet” as the object of the program.

1971—Pub. L. 91-671 provided for cooperation in utilization of Nation's abundance of food by other agencies, struck out “to the maximum extent practicable” before “to safeguard the health”, enunciated finding that limited food purchasing power of low-income households contributes to hunger and malnutrition, and substituted “promote the distribution” for “will tend to cause the distribution” and authorization of a program (to alleviate hunger and malnutrition) which will permit low-income households to purchase a nutritionally adequate diet through normal channels of trade for prior authorization of a program (to effectuate policy of Congress and purposes of this chapter) which will permit such households to receive a greater share of Nation's abundance of food.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

SHORT TITLE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, § 4001, May 13, 2002, 116 Stat. 305, provided that: “This title [enacting section 3007 of this title and section 1161 of Title 2, The Congress, amending sections 1431e, 2012, 2014 to 2017, 2019, 2020, 2022, 2023, 2025 to 2028, 2031, 2034, 2036, and 7508 of this title, sections 1612, 1613, and 1631 of Title 8, Aliens and Nationality, and sections 1755, 1758, 1760, 1769, and 1786 of Title 42, The Public Health and Welfare, repealing section 2033 of this title, enacting provisions set out as notes under sections 612c, 2014 to 2016, 2019, 2020, 2022, 2023, 2025, 2026, 2028, 2034, 2036, and 3171 of this title, section 1161 of Title 2, section 1612 of Title 8, and sections

1755, 1758, 1769, and 1786 of Title 42, and amending provisions set out as a note under section 612c of this title] may be cited as the ‘Food Stamp Reauthorization Act of 2002’.”

SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106-171, § 1, Feb. 11, 2000, 114 Stat. 3, provided that: “This Act [amending section 2016 of this title and enacting provisions set out as notes under section 2016 of this title] may be cited as the ‘Electronic Benefit Transfer Interoperability and Portability Act of 2000’.”

SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103-225, § 1, Mar. 25, 1994, 108 Stat. 106, provided that: “This Act [amending sections 2012, 2014 to 2016, 2018, and 2026 of this title, enacting provisions set out as notes under section 2012 of this title, and repealing provisions set out as notes under sections 2015 and 2016 of this title] may be cited as the ‘Food Stamp Program Improvements Act of 1994’.”

SHORT TITLE OF 1993 AMENDMENT

Pub. L. 103-66, title XIII, § 13901(a), Aug. 10, 1993, 107 Stat. 672, provided that: “This chapter [chapter 3 (§§ 13901-13971) of title XIII of Pub. L. 103-66, amending sections 2012, 2014, 2015, 2017, 2020 to 2023, 2025, 2026, and 2028 of this title, and enacting provisions set out as a note under section 2025 of this title] may be cited as the ‘Mickey Leland Childhood Hunger Relief Act’.”

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101-624, title XVII, § 1701, Nov. 28, 1990, 104 Stat. 3783, provided that: “This title [enacting section 2032 of this title, amending sections 1431, 1431e, 2012, 2014 to 2018, 2020 to 2022, 2024 to 2028, 3175, and 3175e of this title, section 6109 of Title 26, Internal Revenue Code, and sections 405 and 9904 of Title 42, The Public Health and Welfare, enacting provisions set out as notes under this section and sections 612c, 2012, 2014, 2020, 2025, and 2028 of this title and section 1751 of Title 42, and amending provisions set out as notes under sections 612c and 2012 of this title] may be cited as the ‘Mickey Leland Memorial Domestic Hunger Relief Act’.”

SHORT TITLE OF 1988 AMENDMENTS

Pub. L. 100-435, § 1(a), Sept. 19, 1988, 102 Stat. 1645, provided that: “This Act [amending sections 2012, 2014 to 2017, 2020 to 2023, 2025, and 2026 of this title, section 713a-14 of Title 15, Commerce and Trade, and sections 1761, 1766, 1773, and 1786 of Title 42, The Public Health and Welfare, enacting provisions set out as notes under sections 612c and 2012 of this title and sections 1766 and 1786 of Title 42, and amending provisions set out as notes under sections 612c, 1731, and 2012 of this title] may be cited as the ‘Hunger Prevention Act of 1988’.”

Pub. L. 100-232, § 1, Jan. 5, 1988, 101 Stat. 1566, provided that: “This Act [amending section 2014 of this title and enacting provisions set out as a note under section 612c of this title] may be cited as the ‘Charitable Assistance and Food Bank Act of 1987’.”

SHORT TITLE OF 1986 AMENDMENT

Pub. L. 99-570, title XI, § 11001, Oct. 27, 1986, 100 Stat. 3207-167, provided that: “This title [amending sections 2012, 2018 and 2019 of this title, sections 1531 and 1603 of Title 29, Labor, sections 3003 and 3020 [now 5103 and 5120] of Title 38, Veterans' Benefits, and sections 1383 and 1396a of Title 42, The Public Health and Welfare, and enacting provisions set out as notes under section 2012 of this title, sections 5103 and 5120 of Title 38, and sections 602, 1383 and 1396a of Title 42] may be cited as the ‘Homeless Eligibility Clarification Act’.”

SHORT TITLE OF 1982 AMENDMENT

Pub. L. 97-253, title I, § 140, Sept. 8, 1982, 96 Stat. 772, provided that: “This subtitle [subtitle E (§§ 140-193) of title I of Pub. L. 97-253, amending sections 2012, 2014,

2015, 2016, 2017, 2018, 2020, 2021, 2022, 2023, 2025, 2026, 2027, 2028, and 2029 of this title and enacting provisions set out as notes under sections 1624, 2012, and 2028 of this title] may be cited as the ‘Food Stamp Act Amendments of 1982.’”

SHORT TITLE OF 1981 AMENDMENT

Pub. L. 97-98, title XIII, §1301, Dec. 22, 1981, 95 Stat. 1282, provided that: “This title [enacting sections 2029 and 2270 of this title, amending sections 2012, 2014 to 2016, 2018 to 2020, and 2023 to 2027 of this title, enacting a provision set out as a note under section 2012 of this title, and amending provisions set out as notes under section 612c of this title] may be cited as the ‘Food Stamp and Commodity Distribution Amendments of 1981.’”

SHORT TITLE OF 1980 AMENDMENT

Pub. L. 96-249, §1, May 26, 1980, 94 Stat. 357, provided: “That this Act [amending sections 2012, 2014, 2015, 2019, 2020, and 2024 to 2027 of this title, sections 6103 and 7213 of Title 26, Internal Revenue Code, and sections 503 and 504 of Title 42, The Public Health and Welfare, and enacting provisions set out as notes under sections 2014 and 2026 of this title, section 6103 of Title 26, and section 503 of Title 42] may be cited as the ‘Food Stamp Act Amendments of 1980.’”

SHORT TITLE OF 1976 AMENDMENT

Pub. L. 94-339, §1, July 5, 1976, 90 Stat. 799, provided: “That this Act [amending sections 2012, 2015, and 2016 of this title] may be cited as the ‘Emergency Food Stamp Vendor Accountability Act of 1976.’”

SHORT TITLE

Section 1 of Pub. L. 88-525, as amended by Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 958, provided that: “This Act [this chapter] may be cited as the ‘Food Stamp Act of 1977.’”

STUDY OF NATIONAL DATABASE FOR FEDERAL MEANS-TESTED PUBLIC ASSISTANCE PROGRAMS

Pub. L. 105-379, §2, Nov. 12, 1998, 112 Stat. 3399, provided that:

“(a) IN GENERAL.—The Secretary of Agriculture shall conduct a study of options for the design, development, implementation, and operation of a national database to track participation in Federal means-tested public assistance programs.

“(b) ADMINISTRATION.—In conducting the study, the Secretary shall—

“(1) analyze available data to determine—

“(A) whether the data have addressed the needs of the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.);

“(B) whether additional or unique data need to be developed to address the needs of the food stamp program; and

“(C) the feasibility and cost-benefit ratio of each available option for a national database;

“(2) survey the States to determine how the States are enforcing the prohibition on recipients receiving assistance in more than one State under Federal means-tested public assistance programs;

“(3) determine the functional requirements of each available option for a national database; and

“(4) ensure that all options provide safeguards to protect against the unauthorized use or disclosure of information in the national database.

“(c) REPORT.—Not later than 1 year after the date of enactment of this Act [Nov. 12, 1998], the Secretary shall submit to Congress a report on the results of the study conducted under this section.

“(d) FUNDING.—Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide to the Secretary of Agriculture \$500,000 to carry out this section. The Secretary shall be entitled to receive the funds and shall accept the funds, without further appropriation.”

WELFARE SIMPLIFICATION AND COORDINATION ADVISORY COMMITTEE

Pub. L. 101-624, title XVII, §1778, Nov. 28, 1990, 104 Stat. 3814, provided that:

“(a) APPOINTMENT AND MEMBERSHIP.—

“(1) ESTABLISHMENT [sic].—There is established an Advisory Committee on Welfare Simplification and Coordination (hereafter in this section referred to as the ‘Committee’) consisting of not fewer than 7, nor more than 11, members appointed by the Secretary of Agriculture (hereafter in this section referred to as the ‘Secretary’), after consultation with the Secretary of Health and Human Services and the Secretary of Housing and Urban Development, and with the advice of State and local officials responsible for administering the food stamp program, cash and medical assistance programs for low-income families and individuals under the Social Security Act [42 U.S.C. 301 et seq.], and programs providing housing assistance to needy families and individuals, and representatives of recipients and recipient advocacy organizations associated with such programs.

“(2) QUALIFICATIONS.—The members of the Committee shall be individuals who are familiar with the rules, goals, and limitations of Federal food stamp, cash, medical, and housing assistance programs for low-income families and individuals, and may include individuals who have demonstrated expertise in evaluating the operations of and interaction among such programs as they affect administrators and recipients, persons who have experience in administering such programs at the Federal, State, or local level, and representatives of administrators and recipients affected by such programs.

“(b) PURPOSE.—It shall be the purpose of the Committee, in consultation, where appropriate, with program administrators and representatives of recipients—

“(1) to identify the significant policies implemented in the food stamp program, cash and medical assistance programs under the Social Security Act [42 U.S.C. 301 et seq.], and housing assistance programs (whether resulting from law, regulations, or administrative practice) that, because they differ substantially, make it difficult for those eligible to apply for and obtain benefits from more than one program and restrict the ability of administrators of such programs to provide efficient, timely, and appropriate benefits to those eligible for more than one type of assistance, drawing, where appropriate, on previous efforts to coordinate and simplify such programs and policies;

“(2) to examine the major reasons for such different programs and policies;

“(3) to evaluate how and the extent to which such different programs and policies hinder, to a significant degree, the receipt of benefits from more than one program and substantially restrict administrators’ ability to provide efficient, timely, and appropriate benefits;

“(4) to recommend common or simplified programs and policies (including recommendations for changes in law, regulations, and administrative practice and for policies that do not currently exist in such programs) that would substantially reduce difficulties in applying for and obtaining benefits from more than one program and significantly increase the ability of administrators of such programs to efficiently provide timely and appropriate assistance to those eligible for more than one type of assistance; and

“(5) to describe the major effects of such common or simplified programs and policies (including how such common or simplified programs and policies would enhance or conflict with the purposes of such programs, how they would ease burdens on administrators and recipients, how they would affect program costs and participation, and the degree to which they would change the relationships between the Federal Government and the States in such programs) and the reasons for recommending such programs and

policies (including reasons, if any, that might be sufficient to override special rules derived from the purposes of individual programs).

“(c) ADMINISTRATIVE SUPPORT.—The Secretary shall provide the Committee with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions.

“(d) REIMBURSEMENT.—Members of the Committee shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by such members in the performance of the duties of the Committee.

“(e) REPORTS.—Not later than July 1, 1993, the Committee shall prepare and submit, to the appropriate committees of Congress, the Secretary of Agriculture, the Secretary of Health and Human Services, and the Secretary of Housing and Urban Development a final report, including recommendations for common or simplified programs and policies and the effects of and reasons for such programs and policies and may submit interim reports, including reports on common or simplified programs and policies covering less than the complete range of programs and policies under review, to the committees and such Secretaries as deemed appropriate by the Committee.”

RULES

Pub. L. 99-198, title XV, §1583, Dec. 23, 1985, 99 Stat. 1595, provided that: “Not later than April 1, 1987, the Secretary shall issue rules to carry out the amendments made by this title [amending sections 612c, 1431e, 2012 to 2023, and 2025 to 2029 of this title, section 49b of Title 29, Labor, and section 503 of Title 42, The Public Health and Welfare, and amending provisions set out as notes under section 612c of this title].”

IMPLEMENTATION OF 1977 AMENDMENT; SAVINGS PROVISION; AVAILABILITY OF APPROPRIATED FUNDS; REPORT

Section 1303 of Pub. L. 95-113, as amended by Pub. L. 97-375, title I, §103(a), Dec. 21, 1982, 96 Stat. 1819, provided that:

“(a) The Secretary of Agriculture shall implement the Food Stamp Act of 1977 [this chapter as amended by Pub. L. 95-113] as expeditiously as possible consistent with the efficient and effective administration of the food stamp program. The provisions of the Food Stamp Act of 1964, as amended [this chapter prior to amendment by Pub. L. 95-113], which are relevant to current regulations of the Secretary governing the food stamp program, shall remain in effect until such regulations are revoked, superseded, amended, or modified by regulations issued pursuant to the Food Stamp Act of 1977. Coupons issued pursuant to the Food Stamp Act of 1964, as amended, and in general use as of the effective date of the Food Stamp Act of 1977 [Oct. 1, 1977], shall continue to be usable to purchase food, and all other liabilities of the Secretary, States, and applicant or participating households, under the Food Stamp Act of 1964, as amended, shall continue in force until finally resolved or terminated by administrative or judicial action, or otherwise.

“(b) Pending proceedings under the Food Stamp Act of 1964, as amended, shall not be abated by reason of any provision of the Food Stamp Act of 1977, but shall be disposed of pursuant to the applicable provisions of the Food Stamp Act of 1964, as amended, in effect prior to the effective date of the Food Stamp Act of 1977 [Oct. 1, 1977].

“(c) Appropriations made available to carry out the Food Stamp Act of 1964, as amended, shall be available to carry out the provisions of the Food Stamp Act of 1977.

“(d) [Repealed. Pub. L. 97-375, title I, §103(a), Dec. 1, 1982, 96 Stat. 1819.]”

§ 2012. Definitions

As used in this chapter, the term:

(a) “Allotment” means the total value of coupons a household is authorized to receive during each month.

(b) “Authorization card” means the document issued by the State agency to an eligible household which shows the allotment the household is entitled to be issued.

(c) “Certification period” means the period for which households shall be eligible to receive authorization cards. The certification period shall not exceed 12 months, except that the certification period may be up to 24 months if all adult household members are elderly or disabled. A State agency shall have at least 1 contact with each certified household every 12 months. The limits specified in this subsection may be extended until the end of any transitional benefit period established under section 2020(s) of this title.

(d) “Coupon” means any coupon, stamp, type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number, issued pursuant to the provisions of this chapter.

(e) “Coupon issuer” means any office of the State agency or any person, partnership, corporation, organization, political subdivision, or other entity with which a State agency has contracted for, or to which it has delegated functional responsibility in connection with, the issuance of coupons to households.

(f) “Drug addiction or alcoholic treatment and rehabilitation program” means any such program conducted by a private nonprofit organization or institution, or a publicly operated community mental health center, under part B of title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.) to provide treatment that can lead to the rehabilitation of drug addicts or alcoholics.

(g) “Food” means (1) any food or food product for home consumption except alcoholic beverages, tobacco, and hot foods or hot food products ready for immediate consumption other than those authorized pursuant to clauses (3), (4), (5), (7), (8), and (9) of this subsection, (2) seeds and plants for use in gardens to produce food for the personal consumption of the eligible household, (3) in the case of those persons who are sixty years of age or over or who receive supplemental security income benefits or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 401 et seq., 1201 et seq., 1351 et seq., 1381 et seq.], and their spouses, meals prepared by and served in senior citizens’ centers, apartment buildings occupied primarily by such persons, public or private nonprofit establishments (eating or otherwise) that feed such persons, private establishments that contract with the appropriate agency of the State to offer meals for such persons at concessional prices, and meals prepared for and served to residents of federally subsidized housing for the elderly, (4) in the case of persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise so disabled that they are unable adequately to prepare all of their meals, meals prepared for and delivered to them (and their spouses) at their home by a public or

private nonprofit organization or by a private establishment that contracts with the appropriate State agency to perform such services at concessional prices, (5) in the case of narcotics addicts or alcoholics, and their children, served by drug addiction or alcoholic treatment and rehabilitation programs, meals prepared and served under such programs, (6) in the case of certain eligible households living in Alaska, equipment for procuring food by hunting and fishing, such as nets, hooks, rods, harpoons, and knives (but not equipment for purposes of transportation, clothing, or shelter, and not firearms, ammunition, and explosives) if the Secretary determines that such households are located in an area of the State where it is extremely difficult to reach stores selling food and that such households depend to a substantial extent upon hunting and fishing for subsistence, (7) in the case of disabled or blind recipients of benefits under title I, II, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 401 et seq., 1201 et seq., 1351 et seq., 1381 et seq.], or are¹ individuals described in paragraphs (2) through (7) of subsection (r) of this section, who are residents in a public or private nonprofit group living arrangement that serves no more than sixteen residents and is certified by the appropriate State agency or agencies under regulations issued under section 1616(e) of the Social Security Act [42 U.S.C. 1382e(e)] or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under such section, meals prepared and served under such arrangement, (8) in the case of women and children temporarily residing in public or private nonprofit shelters for battered women and children, meals prepared and served, by such shelters, and (9) in the case of households that do not reside in permanent dwellings and households that have no fixed mailing addresses, meals prepared for and served by a public or private nonprofit establishment (approved by an appropriate State or local agency) that feeds such individuals and by private establishments that contract with the appropriate agency of the State to offer meals for such individuals at concessional prices.

(h) “Food stamp program” means the program operated pursuant to the provisions of this chapter.

(i)(1) “Household” means—

(A) an individual who lives alone or who, while living with others, customarily purchases food and prepares meals for home consumption separate and apart from the others; or

“(B) a group of individuals who live together and customarily purchase food and prepare meals together for home consumption.

(2) Spouses who live together, parents and their children 21 years of age or younger who live together, and children (excluding foster children) under 18 years of age who live with and are under the parental control of a person other than their parent together with the person exercising parental control shall be treated as a group of individuals who customarily purchase

and prepare meals together for home consumption even if they do not do so.

(3) Notwithstanding paragraphs (1) and (2), an individual who lives with others, who is sixty years of age or older, and who is unable to purchase food and prepare meals because such individual suffers, as certified by a licensed physician, from a disability which would be considered a permanent disability under section 221(i) of the Social Security Act (42 U.S.C. 421(i)) or from a severe, permanent, and disabling physical or mental infirmity which is not symptomatic of a disease shall be considered, together with any of the others who is the spouse of such individual, an individual household, without regard to the purchase of food and preparation of meals, if the income (as determined under section 2014(d) of this title) of the others, excluding the spouse, does not exceed the poverty line, as described in section 2014(c)(1) of this title, by more than 65 per centum.

(4) In no event shall any individual or group of individuals constitute a household if they reside in an institution or boarding house, or else live with others and pay compensation to the others for meals.

(5) For the purposes of this subsection, the following persons shall not be considered to be residents of institutions and shall be considered to be individual households:

(A) Residents of federally subsidized housing for the elderly, disabled or blind recipients of benefits under title I, II, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 401 et seq., 1201 et seq., 1351 et seq., 1381 et seq.].

(B) Individuals described in paragraphs (2) through (7) of subsection (r) of this section, who are residents in a public or private nonprofit group living arrangement that serves no more than sixteen residents and is certified by the appropriate State agency or agencies under regulations issued under section 1616(e) of the Social Security Act [42 U.S.C. 1382e(e)] or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under that section.

(C) Temporary residents of public or private nonprofit shelters for battered women and children.

(D) Residents of public or private nonprofit shelters for individuals who do not reside in permanent dwellings or have no fixed mailing addresses, who are otherwise eligible for coupons.

(E) Narcotics addicts or alcoholics, together with their children, who live under the supervision of a private nonprofit institution, or a publicly operated community mental health center, for the purpose of regular participation in a drug or alcoholic treatment program.

(j) “Reservation” means the geographically defined area or areas over which a tribal organization (as that term is defined in subsection (p) of this section) exercises governmental jurisdiction.

(k) “Retail food store” means—

(1) an establishment or house-to-house trade route that sells food for home preparation and consumption and—

(A) offers for sale, on a continuous basis, a variety of foods in each of the 4 categories of

¹ So in original. The word “are” probably should not appear.

staple foods specified in subsection (u)(1) of this section, including perishable foods in at least 2 of the categories; or

(B) has over 50 percent of the total sales of the establishment or route in staple foods,

as determined by visual inspection, sales records, purchase records, counting of stock-keeping units, or other inventory or accounting recordkeeping methods that are customary or reasonable in the retail food industry;

(2) an establishment, organization, program, or group living arrangement referred to in subsections (g)(3), (4), (5), (7), (8), and (9) of this section;

(3) a store purveying the hunting and fishing equipment described in subsection (g)(6) of this section; and

(4) any private nonprofit cooperative food purchasing venture, including those in which the members pay for food purchased prior to the receipt of such food.

(l) “Secretary” means the Secretary of Agriculture.

(m) “State” means the fifty States, the District of Columbia, Guam, the Virgin Islands of the United States, and the reservations of an Indian tribe whose tribal organization meets the requirements of this chapter for participation as a State agency.

(n) “State agency” means (1) the agency of State government, including the local offices thereof, which has the responsibility for the administration of the federally aided public assistance programs within such State, and in those States where such assistance programs are operated on a decentralized basis, the term shall include the counterpart local agencies administering such programs, and (2) the tribal organization of an Indian tribe determined by the Secretary to be capable of effectively administering a food distribution program under section 2013(b) of this title or a food stamp program under section 2020(d) of this title.

(o) “Thrifty food plan” means the diet required to feed a family of four persons consisting of a man and a woman twenty through fifty, a child six through eight, and a child nine through eleven years of age, determined in accordance with the Secretary’s calculations. The cost of such diet shall be the basis for uniform allotments for all households regardless of their actual composition, except that the Secretary shall—

(1) make household-size adjustments (based on the unrounded cost of such diet) taking into account economies of scale;

(2) make cost adjustments in the thrifty food plan for Hawaii and the urban and rural parts of Alaska to reflect the cost of food in Hawaii and urban and rural Alaska;

(3) make cost adjustments in the separate thrifty food plans for Guam, and the Virgin Islands of the United States to reflect the cost of food in those States, but not to exceed the cost of food in the fifty States and the District of Columbia; and

(4) on October 1, 1996, and each October 1 thereafter, adjust the cost of the diet to reflect the cost of the diet in the preceding June, and round the result to the nearest

lower dollar increment for each household size, except that on October 1, 1996, the Secretary may not reduce the cost of the diet in effect on September 30, 1996, and except that on October 1, 2003, in the case of households residing in Alaska and Hawaii the Secretary may not reduce the cost of such diet in effect on September 30, 2002.

(p) “Tribal organization” means the recognized governing body of an Indian tribe (including the tribally recognized intertribal organization of such tribes), as the term “Indian tribe” is defined in the Indian Self-Determination Act (25 U.S.C. 450b(b)), as well as any Indian tribe, band, or community holding a treaty with a State government.

(q) “Allowable medical expenses” means expenditures for (1) medical and dental care, (2) hospitalization or nursing care (including hospitalization or nursing care of an individual who was a household member immediately prior to entering a hospital or nursing home), (3) prescription drugs when prescribed by a licensed practitioner authorized under State law and over-the-counter medication (including insulin) when approved by a licensed practitioner or other qualified health professional, (4) health and hospitalization insurance policies (excluding the costs of health and accident or income maintenance policies), (5) medicare premiums related to coverage under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], (6) dentures, hearing aids, and prosthetics (including the costs of securing and maintaining a seeing eye dog), (7) eye glasses prescribed by a physician skilled in eye disease or by an optometrist, (8) reasonable costs of transportation necessary to secure medical treatment or services, and (9) maintaining an attendant, homemaker, home health aide, housekeeper, or child care services due to age, infirmity, or illness.

(r) “Elderly or disabled member” means a member of a household who—

(1) is sixty years of age or older;

(2)(A) receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or Federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93-66 (42 U.S.C. 1382 note), or

(B) receives Federally or State administered supplemental assistance of the type described in section 1616(a) of the Social Security Act (42 U.S.C. 1382e(a)), interim assistance pending receipt of supplemental security income, disability-related medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or disability-based State general assistance benefits, if the Secretary determines that such benefits are conditioned on meeting disability or blindness criteria at least as stringent as those used under title XVI of the Social Security Act;

(3) receives disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 401 et seq., 1201 et seq., 1351 et seq., 1381 et seq.] or receives disability retirement benefits from a governmental agency because of a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i));

(4) is a veteran who—

(A) has a service-connected or non-service-connected disability which is rated as total under title 38; or

(B) is considered in need of regular aid and attendance or permanently housebound under such title;

(5) is a surviving spouse of a veteran and—

(A) is considered in need of regular aid and attendance or permanently housebound under title 38; or

(B) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i));

(6) is a child of a veteran and—

(A) is considered permanently incapable of self-support under section 1314 of title 38; or

(B) is entitled to compensation for a service-connected death or pension benefits for a non-service-connected death under title 38, and has a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i)); or

(7) is an individual receiving an annuity under section 2(a)(1)(iv) or 2(a)(1)(v) of the Railroad Retirement Act of 1974 (45 U.S.C. 231a(a)(1)(iv) or 231a(a)(1)(v)), if the individual's service as an employee under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.], after December 31, 1936, had been included in the term "employment" as defined in the Social Security Act [42 U.S.C. 301 et seq.], and if an application for disability benefits had been filed.

(s) "Homeless individual" means—

(1) an individual who lacks a fixed and regular nighttime residence; or

(2) an individual who has a primary nighttime residence that is—

(A) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

(B) an institution that provides a temporary residence for individuals intended to be institutionalized;

(C) a temporary accommodation for not more than 90 days in the residence of another individual; or

(D) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(t) "Access device" means any card, plate, code, account number, or other means of access that can be used, alone or in conjunction with another access device, to obtain payments, allotments, benefits, money, goods, or other things of value, or that can be used to initiate a transfer of funds under this chapter.

(u)(1) Except as provided in paragraph (2), "staple foods" means foods (as defined in subsection (g) of this section) in the following categories:

(A) Meat, poultry, or fish.

(B) Bread or cereals.

(C) Vegetables or fruits.

(D) Dairy products.

(2) "Staple foods" do not include accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices.

(Pub. L. 88-525, §3, Aug. 31, 1964, 78 Stat. 703; Pub. L. 91-671, §2, Jan. 11, 1971, 84 Stat. 2048; Pub. L. 92-603, title IV, §411(a), (b), Oct. 30, 1972, 86 Stat. 1491; Pub. L. 93-86, §3(a)-(c), (l), (o), (p), Aug. 10, 1973, 87 Stat. 246, 248, 249; Pub. L. 93-125, §1(h), Oct. 18, 1973, 87 Stat. 450; Pub. L. 94-339, §4, July 5, 1976, 90 Stat. 801; Pub. L. 95-113, title XIII, §§1301, 1302(a)(1), Sept. 29, 1977, 91 Stat. 958, 979; Pub. L. 96-58, §§3, 7, Aug. 14, 1979, 93 Stat. 390, 392; Pub. L. 96-181, §15(b), Jan. 2, 1980, 93 Stat. 1316; Pub. L. 96-249, title I, §§101(a), 111, 135, May 26, 1980, 94 Stat. 357, 360, 369; Pub. L. 97-35, title I, §§101-103, 108(a), 116(a)(1), Aug. 13, 1981, 95 Stat. 358, 361, 364; Pub. L. 97-98, title XII, §§1302-1304, Dec. 22, 1981, 95 Stat. 1282; Pub. L. 97-253, title I, §§142, 143(a), 144, 145(a), (b), Sept. 8, 1982, 96 Stat. 772-774; Pub. L. 98-204, §3, Dec. 2, 1983, 97 Stat. 1385; Pub. L. 99-198, title XV, §§1501(a), 1502-1504, Dec. 23, 1985, 99 Stat. 1566; Pub. L. 99-570, title XI, §11002(a)-(c), Oct. 27, 1986, 100 Stat. 3207-167, 3207-168; Pub. L. 100-77, title VIII, §§801, 802(a), July 22, 1987, 101 Stat. 533, 534; Pub. L. 100-435, title I, §120, title III, §350, Sept. 19, 1988, 102 Stat. 1655, 1664; Pub. L. 101-624, title XVII, §§1712, 1713(a), 1747(b), Nov. 28, 1990, 104 Stat. 3783, 3796; Pub. L. 102-83, §5(c)(2), Aug. 6, 1991, 105 Stat. 406; Pub. L. 102-237, title IX, §§901, 941(1), Dec. 13, 1991, 105 Stat. 1884, 1891; Pub. L. 102-351, §1, Aug. 26, 1992, 106 Stat. 937; Pub. L. 103-66, title XIII, §§13931, 13932, Aug. 10, 1993, 107 Stat. 676; Pub. L. 103-225, title I, §101(b)(1), title II, §201, Mar. 25, 1994, 108 Stat. 107, 108; Pub. L. 103-354, title III, §303(a), Oct. 13, 1994, 108 Stat. 3239; Pub. L. 104-193, title VIII, §§801-805, Aug. 22, 1996, 110 Stat. 2308, 2309; Pub. L. 107-171, title IV, §§4112(b)(1), 4115(b)(1), May 13, 2002, 116 Stat. 312, 315; Pub. L. 108-199, div. A, title VII, §771(a), Jan. 23, 2004, 118 Stat. 40.)

REFERENCES IN TEXT

The Public Health Service Act, referred to in subsec. (f), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended. Part B of title XIX of the Act is classified generally to part B (§300x et seq.) of subchapter XVII of chapter 6A of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 201 of Title 42 and Tables.

The Social Security Act, referred to in subsecs. (g), (i)(5)(A), (q), and (r), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (§301 et seq.) of Title 42. Titles I, II, X, XIV, XVI, XVIII, and XIX of the Social Security Act are classified generally to subchapters I (§301 et seq.), II (§401 et seq.), X (§1201 et seq.), XIV (§1351 et seq.), XVI (§1381 et seq.), XVIII (§1395 et seq.), and XIX (§1396 et seq.), respectively, of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Indian Self-Determination Act (25 U.S.C. 450b(b)), referred to in subsec. (p), probably means the Indian Self-Determination and Education Assistance Act, Pub. L. 93-638, Jan. 4, 1975, 88 Stat. 2203, as amended, which is classified principally to subchapter II (§450 et seq.) of chapter 14 of Title 25, Indians. Section 450b of Title 25 was amended generally by Pub. L. 100-472, title I, §103, Oct. 5, 1988, 102 Stat. 2286, and, as so amended, subsec.

(b) of such section no longer defines the term “Indian tribe”. However, such term is defined elsewhere in that section. For complete classification of this Act to the Code, see Short Title note set out under section 450 of Title 25 and Tables.

The Railroad Retirement Act of 1974, referred to in subsec. (r)(7), is act Aug. 29, 1935, ch. 812, as amended generally by Pub. L. 93-445, title I, §101, Oct. 16, 1974, 88 Stat. 1305, which is classified generally to subchapter IV (§231 et seq.) of chapter 9 of Title 45, Railroads. For further details and complete classification of this Act to the Code, see Codification note set out preceding section 231 of Title 45, section 231t of Title 45, and Tables.

AMENDMENTS

2004—Subsec. (o)(4). Pub. L. 108-199 inserted before period at end “, and except that on October 1, 2003, in the case of households residing in Alaska and Hawaii the Secretary may not reduce the cost of such diet in effect on September 30, 2002”.

2002—Subsec. (c). Pub. L. 107-171, §4115(b)(1), inserted at end “The limits specified in this subsection may be extended until the end of any transitional benefit period established under section 2020(s) of this title.”

Subsec. (i)(1). Pub. L. 107-171, §4112(b)(1)(A), (B), designated first sentence as par. (1) and redesignated former pars. (1) and (2) as subpars. (A) and (B) of par. (1), respectively.

Subsec. (i)(2). Pub. L. 107-171, §4112(b)(1)(C), designated second sentence as par. (2). Former par. (2) redesignated subpar. (B) of par. (1).

Subsec. (i)(3). Pub. L. 107-171, §4112(b)(1)(D), (E), designated third sentence as par. (3) and substituted “Notwithstanding paragraphs (1) and (2)” for “Notwithstanding the preceding sentences”.

Subsec. (i)(4). Pub. L. 107-171, §4112(b)(1)(F), designated fourth sentence as par. (4).

Subsec. (i)(5). Pub. L. 107-171, §4112(b)(1)(G), (H), designated fifth sentence as par. (5), substituted “For the purposes of this subsection, the following persons shall not be considered to be residents of institutions and shall be considered to be individual households:” for “For the purposes of this subsection,”; restructured the remainder of that sentence into five sentences and designated them as subpars. (A) to (E) respectively, and struck out “shall not be considered residents of institutions and shall be considered individual households” at end.

1996—Subsec. (c). Pub. L. 104-193, §801, substituted second and third sentences containing provisions relating to limits on certification period and requirement of yearly contact with household for provisions setting limits to certification period for households required to submit periodic reports, households whose members all receive federal assistance grant, households of unemployed, elderly or primarily self-employed individuals, and all other households, and allowing waivers.

Subsec. (d). Pub. L. 104-193, §802, substituted “type of certificate, authorization card, cash or check issued in lieu of a coupon, or access device, including an electronic benefit transfer card or personal identification number,” for “or type of certificate”.

Subsec. (i). Pub. L. 104-193, §803, in second sentence, struck out “(who are not themselves parents living with their children or married and living with their spouses)” after “age or younger”.

Subsec. (o). Pub. L. 104-193, §804, in second sentence, substituted “the Secretary shall—” for “the Secretary shall”, realigned margins of pars. (1) to (3), substituted semicolon for comma at end of pars. (1) and (2) and “; and” for comma at end of par. (3), added par. (4), and struck out former pars. (4) to (11) which authorized adjustment of cost of thrifty food plan diet to reflect changes in cost of food constituting diet for period from Jan. 1, 1980, to Oct. 1, 1990, and each Oct. 1 thereafter, and prohibited Secretary from reducing cost of such diet on Oct. 1, 1992, and, in case of households residing in Alaska, on Oct. 1, 1994.

Subsec. (s)(2)(C). Pub. L. 104-193, §805, inserted “for not more than 90 days” after “temporary accommodation”.

1994—Subsec. (c). Pub. L. 103-225, §101(b)(1), substituted “Except as provided in section 2015(c)(1)(C) of this title, for” for “For”.

Subsec. (k). Pub. L. 103-225, §201(1), realigned margins of pars. (1) to (4), substituted semicolon for comma at end of pars. (2) and (3), and substituted “means—” for “means” and par. (1) for former par. (1) which read as follows: “an establishment or recognized department thereof or house-to-house trade route, over 50 per centum of whose food sales volume, as determined by visual inspection, sales records, purchase records, or other inventory or accounting recordkeeping methods that are customary or reasonable in the retail food industry, consists of staple food items for home preparation and consumption, such as meat, poultry, fish, bread, cereals, vegetables, fruits, dairy products, and the like, but not including accessory food items, such as coffee, tea, cocoa, carbonated and uncarbonated drinks, candy, condiments, and spices.”

Subsec. (o)(11). Pub. L. 103-354 inserted “and (in the case of households residing in Alaska) on October 1, 1994,” after “1992.”

Subsec. (u). Pub. L. 103-225, §201(2), added subsec. (u). 1993—Subsec. (g)(5). Pub. L. 103-66, §13932(2), inserted “, and their children,” after “or alcoholics”.

Subsec. (i). Pub. L. 103-66, §13932(1), in last sentence inserted “, together with their children,” after “narcotics addicts or alcoholics”.

Pub. L. 103-66, §13931, in first sentence, substituted “or (2) a group of individuals” for “(2) a group of individuals” and substituted a period for “,” after end of cl. (2), inserted “Spouses who live together, parents and their children 21 years of age or younger (who are not themselves parents living with their children or married and living with their spouses) who live together, and children (excluding foster children) under 18 years of age who live with and are under the parental control of a person other than their parent together with the person exercising parental control” before “shall be treated as a group of individuals” to create new second sentence and struck out “, unless one of the parents, or siblings, is an elderly or disabled member” after “if they do not do so”, and in next sentence substituted “Notwithstanding the preceding sentences” for “Notwithstanding clause (1) of the preceding sentence”.

1992—Subsec. (o)(11). Pub. L. 102-351 inserted before period at end “, except that on October 1, 1992, the Secretary may not reduce the cost of such diet”.

1991—Subsecs. (g)(7), (i). Pub. L. 102-237, §901, inserted “, or are individuals described in paragraphs (2) through (7) of subsection (r) of this section,” after “title I, II, X, XIV, or XVI of the Social Security Act”.

Subsec. (j). Pub. L. 102-237, §941(1)(A), made technical amendment to reference to subsection (p) of this section involving corresponding provision of original act.

Subsec. (o)(6). Pub. L. 102-237, §941(1)(B), substituted “percent” for “per centum” [sic].

Subsec. (r)(6)(A). Pub. L. 102-83 substituted “section 1314 of title 38” for “section 414 of title 38”.

Subsecs. (t), (u). Pub. L. 102-237, §941(1)(C), redesignated subsec. (u) as (t).

1990—Subsec. (g)(3). Pub. L. 101-624, §1712(a)(1), substituted “or disability or blindness payments under title I, II, X, XIV, or XVI” for “under title XVI”.

Subsec. (g)(7). Pub. L. 101-624, §1712(a)(2), substituted “title I, II, X, XIV, or XVI” for “title II or title XVI”, and inserted “or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under such section”.

Subsec. (g)(9). Pub. L. 101-624, §1713(a), substituted “individuals and by private establishments that contract with the appropriate agency of the State to offer meals for such individuals at concessional prices” for “individuals and by a public or private nonprofit shelter (approved by an appropriate State or local agency) in which such households temporarily reside (except that such establishments and shelters may only request voluntary use of food stamps by such individuals and may not request such households to pay more than the average cost of the food contained in a meal served by the establishment or shelter).”

Subsec. (i). Pub. L. 101-624, §1712(b), substituted "title I, II, X, XIV, or XVI" for "title II or title XVI", and inserted "or under standards determined by the Secretary to be comparable to standards implemented by appropriate State agencies under such section".

Subsec. (u). Pub. L. 101-624, §1747(b), added subsec. (u).

1988—Subsec. (o). Pub. L. 100-435, §120, inserted "through October 1, 1987" in cl. (8) and substituted cls. (9) to (11) for proviso that periods upon which adjustments are based would be subject to revision by Act of Congress.

Subsec. (r)(2). Pub. L. 100-435, §350, amended par. (2) generally. Prior to amendment, par. (2) read as follows: "receives supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), federally or State administered supplemental benefits of the type described in section 1616(a) of the Social Security Act if the Secretary determines that such benefits are conditioned on meeting the disability or blindness criteria used under title XVI of the Social Security Act, or federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93-66 (42 U.S.C. 1382 note);".

1987—Subsec. (i). Pub. L. 100-77, §802(a), substituted "(2)" for "or (2)", inserted cl. (3), and inserted "(other than as provided in clause (3))" after "except that".

Subsec. (s). Pub. L. 100-77, §801, added subsec. (s).

1986—Subsec. (g). Pub. L. 99-570, §11002(a), substituted "(8), and (9)" for "and (8)" in cl. (1) and added cl. (9).

Subsec. (i). Pub. L. 99-570, §11002(b), inserted "residents of public or private nonprofit shelters for individuals who do not reside in permanent dwellings or have no fixed mailing addresses, who are otherwise eligible for coupons,".

Subsec. (k). Pub. L. 99-570, §11002(c), substituted "(8), and (9)" for "and (8)".

1985—Subsec. (f). Pub. L. 99-198, §1501(a)(1), substituted "or a publicly operated community mental health center, under part B of title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.) to provide" for "which is certified by the State agency or agencies designated by the Governor as responsible for the administration of the State's programs for alcoholics and drug addicts pursuant to Public Law 91-616 (Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970) and Public Law 92-255 (Drug Abuse Prevention, Treatment, and Rehabilitation Act) as providing".

Subsec. (i). Pub. L. 99-198, §1501(a)(2), inserted "or a publicly operated community mental health center," after "private nonprofit institution" in last sentence.

Subsec. (k). Pub. L. 99-198, §1502, inserted "as determined by visual inspection, sales records, purchase records, or other inventory or accounting record-keeping methods that are customary or reasonable in the retail food industry," in cl. (1).

Subsec. (o). Pub. L. 99-198, §1503, substituted "fifty" for "fifty-four".

Subsec. (r)(2). Pub. L. 99-198, §1504(1), inserted "or, federally or State administered supplemental benefits of the type described in section 1616(a) of the Social Security Act [42 U.S.C. 1382e(a)] if the Secretary determines that such benefits are conditioned on meeting the disability or blindness criteria used under title XVI of the Social Security Act, or federally or State administered supplemental benefits of the type described in section 212(a) of Public Law 93-66 (42 U.S.C. 1382 note)".

Subsec. (r)(3). Pub. L. 99-198, §1504(2), inserted "or receives disability retirement benefits from a governmental agency because of a disability considered permanent under section 221(i) of the Social Security Act (42 U.S.C. 421(i))".

Subsec. (r)(4)(A). Pub. L. 99-198, §1504(3), inserted "or non-service-connected" after "service-connected".

Subsec. (r)(7). Pub. L. 99-198, §1504(4)-(6), added par. (7).

1983—Subsec. (c). Pub. L. 98-204, §3(1), substituted "the foregoing limits on the certification period may, with the approval of the Secretary, be waived by a

State agency for certain categories of households where such waiver will improve the administration of the program" for "the limit of twelve months may be waived by the Secretary to improve the administration of the program" in provisions preceding par. (1).

Subsec. (c)(2). Pub. L. 98-204, §3(2), inserted provision that "The maximum limit of twelve months for such period under the foregoing proviso may be waived by the Secretary where such waiver will improve the administration of the program."

1982—Subsec. (i). Pub. L. 97-253, §§142, 145(b), substituted "except that parents and children, or siblings, who live together shall be treated as a group of individuals who customarily purchase and prepare meals together for home consumption even if they do not do so, unless one of the parents, or siblings, is an elderly or disabled member" for "except that parents and children who live together shall be treated as a group of individuals who customarily purchase and prepare meals together for home consumption even if they do not do so, unless one of the parents is sixty years of age or older, or receives supplemental security income benefits under title XVI of the Social Security Act or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act", and inserted provision that notwithstanding cl. (1) of the preceding sentence, an individual who lives with others, who is sixty years of age or older, and who is unable to purchase food and prepare meals because such individual suffers, as certified by a licensed physician, from a disability which would be considered a permanent disability under section 221(i) of the Social Security Act (42 U.S.C. 421(i)) or from a severe, permanent, and disabling physical or mental infirmity which is not symptomatic of a disease shall be considered, together with any of the others who is the spouse of such individual, an individual household, without regard to the purchase of food and preparation of meals, if the income (as determined under section 2014(d) of this title) of the others, excluding the spouse, does not exceed the poverty line, as described in section 2014(c)(1) of this title, by more than 65 per centum.

Subsec. (o)(1). Pub. L. 97-253, §143(a)(1), substituted "adjustments (based on the unrounded cost of such diet)" for "adjustments".

Subsec. (o)(6). Pub. L. 97-253, §§143(a)(2), 144, substituted provisions requiring the Secretary, on Oct. 1, 1982, to adjust the cost of the diet to reflect changes in the cost of the thrifty food plan for the twenty-one months ending June 30, 1982, reduce the cost of such diet by one per centum, and round the result to the nearest lower dollar increment for each household size for former provision requiring the Secretary, on Oct. 1, 1982, to adjust the cost of such diet to the nearest dollar increment to reflect the changes in the cost of the thrifty food plan for the twenty-one months ending on June 30, 1982.

Subsec. (o)(7). Pub. L. 97-253, §§143(a)(2), 144, substituted provisions requiring the Secretary, on Oct. 1, 1983, and Oct. 1, 1984, to adjust the cost of the diet to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding June 30, reduce the cost of such diet by one per centum, and round the result to the nearest lower dollar increment for each household size for former provision requiring the Secretary, on Oct. 1, 1983, and each Oct. 1 thereafter, to adjust the cost of such diet to the nearest dollar increment to reflect changes in the cost of the thrifty food plan for the twelve months ending the preceding June 30.

Subsec. (o)(8). Pub. L. 97-253, §§143(a)(2), 144, added and amended par. (8).

Subsec. (r). Pub. L. 97-253, §145(a), added subsec. (r). 1981—Subsec. (c). Pub. L. 97-35, §108(a), inserted provisions respecting waiver of twelve-month period for improvement of program.

Subsec. (i). Pub. L. 97-98, §1302, inserted provision relating to supplemental security income benefits under title XVI of the Social Security Act or disability or blindness payments under title I, II, X, XIV, or XVI of the Social Security Act.

Pub. L. 97-35, §§101, 102, inserted provisions relating to treatment as a group of parents and children who live together, and restructured provisions respecting living with others and paying compensation for meals.

Subsec. (m). Pub. L. 97-35, §116(a)(1), struck out reference to Puerto Rico.

Subsec. (o). Pub. L. 97-98, §§1303, 1304, substituted in cl. (2) “Hawaii and the urban and rural parts of Alaska to reflect the cost of food in Hawaii and urban and rural Alaska” for “Alaska and Hawaii to reflect the cost of food in those States”, in cl. (6) provision that on Oct. 1, 1982, the Secretary adjust the cost of such diet to reflect changes for the twenty-one months ending the preceding June 30, 1982, for provision that on Apr. 1, 1982, the Secretary adjust the cost of such diet to reflect changes for the fifteen months ending the preceding Dec. 31, in cl. (7) provision that on Oct. 1, 1983, and each Oct. 1 thereafter, the Secretary adjust the cost of such diet to reflect changes for the twelve months ending the preceding June 30, for provision that on July 1, 1983, the Secretary adjust the cost of such diet to reflect changes for the fifteen months ending the preceding Mar. 31, struck out cl. (8) which provided that on Oct. 1, 1984, the Secretary adjust the cost of such diet to reflect changes for the fifteen months ending the preceding June 30, and struck out cl. (9) which provided that on Oct. 1, 1985, and each Oct. 1 thereafter, the Secretary adjust the cost of such diet to reflect changes for the twelve months ending the preceding June 30, and, as of every Jan. 1 thereafter, for the nine months ending the preceding Sept. 30 and the subsequent three months ending Dec. 31 as projected by the Secretary in light of the best available data, and inserted provision that the periods upon which adjustments are based be subject to revision by Act of Congress.

Pub. L. 97-35, §§103, 116(a)(1) struck out applicability to Puerto Rico in clause (3), substituted provisions respecting adjustments on Apr. 1, 1982, for provisions respecting adjustments on Jan. 1, 1982, in cl. (6), and added cls. (7) to (9).

1980—Subsec. (c). Pub. L. 96-249, §111, inserted provisions requiring that for those households that are required to submit periodic reports under section 2015(c)(1) of this title, the certification period be at least six months but no longer than twelve months.

Subsec. (f). Pub. L. 96-181 substituted “Drug Abuse Prevention, Treatment, and Rehabilitation Act” for “Drug Abuse Office and Treatment Act of 1972”.

Subsec. (g). Pub. L. 96-249, §101(a)(1)-(3), substituted “(7), and (8)” for “and (7)” in cl. (1) and added cl. (8).

Subsec. (i). Pub. L. 96-249, §101(a)(4), inserted “temporary residents of public or private nonprofit shelters for battered women and children,” after “section 1616(e) of the Social Security Act.”

Subsec. (k)(2). Pub. L. 96-249, §101(a)(5), substituted “(7), and (8)” for “and (7)”.

Subsec. (o). Pub. L. 96-249, §135, inserted “through January 1, 1980,” before “adjust the cost” in cl. (4) and added cls. (5) and (6).

1979—Subsec. (g). Pub. L. 96-58, §7(1)-(3), substituted “clauses (3), (4), (5), and (7)” for “clauses (3), (4), and (5)” and added cl. (7) relating to disabled or blind recipients of benefits who are residents in certain public or private nonprofit group living arrangements.

Subsec. (i). Pub. L. 96-58, §7(4), (5), inserted provisions relating to disabled or blind recipients of benefits who are residents in certain public or private nonprofit group living arrangements and inserted provisions that all residents of federally subsidized housing for the elderly, disabled or blind recipients of benefits, and narcotic addicts or alcoholics who live under the supervision of a private nonprofit institution for the purpose of regular participation in a drug or alcoholic treatment program be considered individual households.

Subsec. (k). Pub. L. 96-58, §7(6), inserted reference to group living arrangements referred to in subsec. (g)(7) of this section in cl. (2).

Subsec. (q). Pub. L. 96-58, §3, added subsec. (q).

1977—Pub. L. 95-113 redefined terms “Secretary”, “food”, “coupon”, “household”, “retail food store”,

“State agency”, “State”, “food stamp program”, and “drug addiction or alcoholic treatment and rehabilitation program” and changed designations of those terms, as thus redefined, from subsecs. (a), (b), (c), (e), (f), (h), (j), (k), and (n), respectively, to (l), (g), (d), (i), (k), (n), (m), (h), and (f), substituted definitions of “allotment”, “authorization card”, and “coupon issuer” for “coupon allotment”, “authorization to purchase card”, and “coupon vendor”, respectively, and changed designations of those terms as thus substituted from subsecs. (d), (m), and (o), respectively, to (a), (b), and (e), struck out definitions of “wholesale food concern”, “bank”, and “elderly person” which had been set out, respectively, in subsecs. (g), (i), and (l), and inserted definitions of “certification period”, “reservation”, “thrifty food plan”, and “tribal organization” in subsecs. (c), (j), (o), and (p), respectively.

1976—Subsec. (o). Pub. L. 94-339 added subsec. (o).

1973—Subsec. (b). Pub. L. 93-86, §3(l), substituted “home” for “human” and substituted provisions including in definition of “food” seeds and plants for use in gardens to produce food for the personal consumption of the eligible household, for provisions excluding from such definition foods identified on the package as imported and imported meat and meat products.

Subsec. (e). Pub. L. 93-125 substituted “foregoing” for “foregoing”.

Pub. L. 93-86, §3(a), (b), (p), inserted provision of cl. (3) relating to inclusion of narcotic addict or alcoholic within definition of “household” and provision relating to residents of federally subsidized housing for the elderly, and substituted provisions relating to the treatment of individuals receiving supplemental security income benefits under subchapter XVI of chapter 7 of title 42, for provisions relating to the treatment of persons eligible to receive supplemental security income benefits under subchapter XVI of chapter 7 of title 42.

Subsec. (f). Pub. L. 93-86, §3(o), inserted references to nonprofit institution and section 2019(i) of this title.

Subsec. (n). Pub. L. 93-86, §3(c), added subsec. (n).

1972—Subsec. (e). Pub. L. 92-603, §411(a), inserted provision that persons eligible or would be eligible to receive supplemental security income benefits under sections 1381 to 1383c of Title 42, may not be considered as members of a household or elderly persons under this chapter.

Subsec. (h). Pub. L. 92-603, §411(b), substituted provisions defining State agency as the agency designated by the Secretary for carrying out this chapter in such state, for provisions defining it as the agency having the responsibility for the administration of the federally aided public assistance program.

1971—Subsec. (e). Pub. L. 91-671, §2(a), substituted in definition of “household”, “related individuals (including legally adopted children and legally assigned foster children) or non-related individuals over age 60 who are not residents” for “related or non-related individuals, who are not residents”, designated existing provisions as cl. (1), and added cl. (2).

Subsec. (f). Pub. L. 91-671, §2(b), included in definition of “retail food store” a political subdivision or a private nonprofit organization that meets requirements of section 2019(h) of this title.

Subsec. (j). Pub. L. 91-671, §2(c), included in definition of “State” Guam, Puerto Rico, and the Virgin Islands.

Subsec. (l). Pub. L. 91-671, §2(d), added subsec. (l).

Subsec. (m). Pub. L. 91-671, §2(e), added subsec. (m).

EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-199, div. A, title VII, §771(b), Jan. 23, 2004, 118 Stat. 40, provided that: “The amendment made by subsection (a) [amending this section] shall be effective beginning on September 30, 2003.”

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 303(b) of Pub. L. 103-354 provided that: “The amendment made by subsection (a) [amending this section] shall be effective beginning on September 30, 1994.”

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Sept. 1, 1994, see section 13971(b)(4) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 1781 of title XVII of Pub. L. 101-624 provided that:

“(a) IN GENERAL.—Except as otherwise provided in subsection (b) and other provisions of this title, this title [see Short Title of 1990 Amendment note set out under section 2011 of this title] and the amendments made by this title shall become effective and implemented the 1st day of the month beginning 120 days after the publication of implementing regulations. Such regulations shall be promulgated not later than October 1, 1991.

“(b) SPECIAL EFFECTIVE DATES.—

“(1) OCTOBER 1, 1990.—The amendments made by sections 1721, 1730, 1750, 1754, 1760(1)(A), 1761, 1762, 1771(a), 1771(d), 1772(c), 1772(f), 1772(g), and 1776 [amending sections 2014, 2017, 2025 to 2028, 3175, and 3175e of this title and provisions set out as notes under section 612c of this title] shall be effective on October 1, 1990.

“(2) DATE OF ENACTMENT.—The amendments made by sections 1718, 1729, 1731, 1739, 1742, 1746, 1747, 1748, 1749, 1751, 1753, 1755, 1756, 1757, 1758, 1759, 1760(1)(B) and (2), 1763, 1771(b), 1771(c), 1772(a), 1772(b), 1772(d), 1772(h), 1773, 1774(a)(1), 1774(b), 1774(c), 1775(a), 1775(b), 1777, 1778, and 1779 [enacting section 2032 of this title, amending this section, sections 1431, 1431e, 2014, 2016, 2020, 2022, and 2024 to 2027 of this title and section 9904 of Title 42, The Public Health and Welfare, enacting provisions set out as notes under sections 2011, 2020, and 2025 of this title and section 1751 of Title 42, and amending provisions set out as notes under section 612c of this title] shall become effective on the date of enactment of this Act [Nov. 28, 1990].

“(3) APRIL 1, 1991.—The amendments made by sections 1716, 1722, and 1736(2) [amending sections 2014 and 2020 of this title] shall become effective and implemented the 1st day of the month beginning 120 days after the promulgation of implementing regulations. Such regulations shall be promulgated not later than April 1, 1991.

“(4) CATEGORICAL ELIGIBILITY.—The amendment made by section 1714(2) [amending section 2014 of this title] shall become effective and implemented the 1st day of the month beginning 120 days after the promulgation of implementing regulations. Such regulations shall be promulgated—

“(A) in the case of a State general assistance program, not later than October 1, 1991; and

“(B) in the case of a local general assistance program, not later than April 1, 1992.”

EFFECTIVE DATE OF 1988 AMENDMENT

Section 701 of Pub. L. 100-435, as amended by Pub. L. 100-619, §1, Nov. 5, 1988, 102 Stat. 3198, provided that:

“(a) IN GENERAL.—Except as otherwise provided for in section 503 [set out as a note under section 1766 of Title 42, The Public Health and Welfare] and in subsection (b) of this section, this Act and the amendments made by this Act [amending sections 2012, 2014 to 2017, 2020 to 2023, 2025, and 2026 of this title, section 713a-14 of Title

15, Commerce and Trade, and sections 1761, 1766, 1773, and 1786 of Title 42, enacting provisions set out as notes under sections 612c and 2011 of this title and sections 1766 and 1786 of Title 42, and amending provisions set out as notes under sections 612c, 1731, and 2012 of this title] shall become effective and be implemented on October 1, 1988.

“(b) SPECIAL RULES.—

“(1) The amendments made by sections 101, 103, 301, 321(c), 343, and 401 [amending sections 2014 and 2025 of this title and amending provisions set out as a note under section 612c of this title] shall become effective and be implemented on the date of enactment of this Act [Sept. 19, 1988].

“(2) The amendments made by section 402 [amending section 2014 of this title] shall become effective and be implemented on January 1, 1989.

“(3)(A) The amendments made by section 203(a) [amending section 2017 of this title] shall become effective on January 1, 1989, and the States shall implement such section by January 1, 1990.

“(B) The amendments made by section 203(b) [amending section 2016 of this title] shall become effective on January 1, 1989, except with regards to those States not implementing section 203(a).

“(4) The amendments made by sections 204, 210, 211, subsections (a)(1), (c), and (e) of section 404, sections 310 through 343, and sections 345 through 352 [amending sections 2012, 2014, 2015, 2020, and 2025 of this title and sections 1766 and 1773 of Title 42] shall become effective and implemented on July 1, 1989.

“(5) The amendments made by title VI [amending sections 2022, 2023, and 2025 of this title] shall be effective as follows:

“(A) Except as provided in subparagraph (D), the provisions of section 16(c) of the Food Stamp Act of 1977, as amended by section 604 [section 2025(c) of this title], shall become effective on October 1, 1985, with respect to claims under section 16(c) for quality control review periods after such date, except that—

“(i) the provisions of section 16(c)(1)(A), as amended, shall become effective on October 1, 1988, with respect to payment error rates for quality control review periods after such date; and

“(ii) the provisions of section 16(c)(3), as amended, shall become effective on October 1, 1988, with respect to payment error rates for quality control review periods after such date.

“(B) The amendments made by sections 601 and 602 [amending section 2022 of this title] shall become effective on October 1, 1985, with respect to claims under section 16(c) for quality control review periods after such date.

“(C) Except as provided in subparagraph (D), the amendments made to section 14 of the Food Stamp Act of 1977 [section 2023 of this title] by section 603 shall become effective on October 1, 1985, with respect to claims under section 16(c) for quality control review periods after such date.

“(D)(i) The provisions of sections 13, 14, and 16 of the Food Stamp Act of 1977 [sections 2022, 2023, and 2025 of this title] that relate to claims against State agencies and that were in effect for any quality control review period or periods through fiscal year 1985 shall remain in effect for claims arising with respect to such period or periods.

“(ii) The provisions of sections 14 and 16(c) of the Food Stamp Act of 1977 that relate to enhanced administrative funding for State agencies and that were in effect for any quality control review period or periods through fiscal year 1988 shall remain in effect for such funding with respect to such period or periods.

“(c) SEQUESTRATION.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, if a final order is issued for fiscal year 1989 under section 252(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(b)), the amount made available to carry out the

food stamp program under section 18 of the Food Stamp Act of 1977 (7 U.S.C. 2027) shall be reduced by an amount equal to \$110,000,000 multiplied by the amount of the percentage reduction for domestic programs required under such order. The reduction required by the preceding sentence shall be achieved by reducing the amount of the adjustment to the cost of the thrifty food plan for fiscal year 1989 under section 3(o)(9) of the Food Stamp Act of 1977 (as added by section 120 of this Act) [section 2012(o)(9) of this title].

“(2) EFFECTIVE DATES IF SEQUESTRATION OCCURS.— Notwithstanding subsections (a) and (b), if a final order is issued under section 252(b) of the Emergency Deficit Control Act of 1985 (2 U.S.C. 902(b)) for fiscal year 1989 to make reductions and sequestrations specified in the report required under section 251(a)(3)(A) of such Act [2 U.S.C. 901(a)(3)(A)], sections 111, 201, 204, 310, 311, 321, 322, 323, 341, 342, 350, 351, 352, 402, 403, 404, 502, 504, and 505 [amending sections 2012, 2014, 2015, 2020, 2025, and 2026 of this title and enacting provisions set out as notes under section 612c of this title] shall become effective and be implemented on October 1, 1989.”

EFFECTIVE DATE OF 1987 AMENDMENT

Section 802(b) of Pub. L. 100-77 provided that: “The amendments made by this section [amending this section] shall become effective on October 1, 1987.”

EFFECTIVE AND TERMINATION DATES OF 1986 AMENDMENT

Section 11002(f) of Pub. L. 99-570, as amended by Pub. L. 100-435, title II, § 205, Sept. 19, 1988, 102 Stat. 1657; Pub. L. 101-624, title XVII, § 1713(b), Nov. 28, 1990, 104 Stat. 3783; Pub. L. 102-237, title IX, § 913, Dec. 13, 1991, 105 Stat. 1887, provided that:

“(1) The amendments made by this section [amending this section and sections 2018 and 2019 of this title] shall become effective, and be implemented by issuance of final regulations, not later than April 1, 1987.

“(2) Not later than September 30, 1988, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that evaluates the program established by the amendments made by this section, including any proposed legislative recommendations.

“(3) The amendments made by this section, except those amendments made by subsections (a), (b), and (c) [amending this section], shall cease to be effective after September 30, 1990.”

[Amendment by Pub. L. 102-237 to section 11002(f) of Pub. L. 99-570, set out above, effective Oct. 1, 1990, and not applicable with respect to any period occurring before such date, see section 1101(d)(5) of Pub. L. 102-237, set out as an Effective Date of 1991 Amendment note under section 1421 of this title.]

[Section 1713(b) of Pub. L. 101-624 provided that the amendment made by that section is effective Sept. 29, 1990.]

EFFECTIVE DATE OF 1982 AMENDMENT

Section 193 of subtitle E (§§ 140-193) of title I of Pub. L. 97-253 provided that:

“(a) Except as provided in subsection (b), this subtitle [amending this section and sections 2014, 2015, 2016, 2017, 2018, 2020, 2021, 2022, 2023, 2025, 2026, 2027, 2028, and 2029 of this title and enacting provisions set out as notes under this section and sections 1624, 2011, and 2028 of this title] and the amendments made by this subtitle shall take effect on the date of the enactment of this subtitle [Sept. 8, 1982].

“(b) Sections 180 and 188 [amending sections 2020, 2025, 2027, and 2029 of this title] shall take effect on October 1, 1982.”

EFFECTIVE DATE OF 1981 AMENDMENTS

Section 192 of Pub. L. 97-253 provided that:

“(a) Notwithstanding section 117 of the Omnibus Budget Reconciliation Act of 1981 (7 U.S.C. 2012 note)

[section 117 of Pub. L. 97-35, set out below], the amendments made by sections 101 through 114 of such Act [amending this section and sections 2014, 2015, 2017, 2020, 2022, and 2025 of this title], other than sections 107(b) and 108(c) of such Act [amending sections 2014 and 2015 of this title], shall take effect on the earlier of the date of the enactment of this subtitle [Sept. 8, 1982] or the date on which such amendments became effective pursuant to section 117 of such Act.

“(b) Notwithstanding section 1338 of the Agriculture and Food Act of 1981 (7 U.S.C. 2012 note) [section 1338 of Pub. L. 97-98, set out below], the amendments made by sections 1302 through 1333 of such Act [enacting section 2029 of this title and amending this section and sections 2014 to 2016, 2018 to 2020, and 2023 to 2027 of this title] shall take effect on the earlier of the date of the enactment of this subtitle [Sept. 8, 1982] or the date on which such amendments became effective pursuant to section 1338 of such Act.”

Section 1338 of title XIII of Pub. L. 97-98 provided that: “Except as otherwise specifically provided, the amendments made by this title [enacting sections 2029 and 2270 of this title, amending this section and sections 2014 to 2016, 2018 to 2020, and 2023 to 2027 of this title, and enacting provisions set out as a note under section 2011 of this title] shall be effective upon such dates as the Secretary of Agriculture may prescribe, taking into account the need for orderly implementation.”

Section 116(a) of Pub. L. 97-35 provided that the amendment made by that section is effective July 1, 1982.

Section 117 of Pub. L. 97-35 provided that: “Except as otherwise specifically provided, the amendments made by sections 101 through 116 of this Act [amending this section and sections 2014, 2015, 2017, 2020, 2022, and 2025 of this title] shall be effective and implemented upon such dates as the Secretary of Agriculture may prescribe, taking into account the need for orderly implementation.”

EFFECTIVE DATE OF 1979 AMENDMENT

Section 10 of Pub. L. 96-58 provided that:

“(a) The provisions of sections 2 and 3 of this Act [amending this section and sections 2014 of this section] shall be implemented in all States by January 1, 1980, and shall not affect the rights or liabilities of the Secretary, States, and applicant or participant households, under the Food Stamp Act of 1977 [this chapter] in effect on July 1, 1979, until implemented.

“(b) Notwithstanding any other provision of law, the Secretary of Agriculture shall issue final regulations implementing the provisions of sections 4 through 6 of this Act [amending sections 2015 and 2025 of this title] within one hundred and fifty days after the date of enactment of this Act [Aug. 14, 1979].

“(c) The provisions of sections 7 and 8 of this Act [amending this section and section 2019 of this title] shall be implemented in all States by July 1, 1980, and shall not affect the rights or liabilities of the Secretary, States, and applicant or participating households, under the Food Stamp Act of 1977 [this chapter] in effect on July 1, 1979, until implemented.”

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

Section 1302(b) of Pub. L. 95-113 provided that: “The amendments made by this section [repealing section 3(b) of Pub. L. 93-86 as described in the Repeals note below and amending section 1431 of this title and provisions set out as notes under sections 612c of this title and 1382e of Title 42, The Public Health and Welfare] shall be effective October 1, 1977.”

EFFECTIVE DATE OF 1974 AMENDMENT

Amendment of section 8(a) of Pub. L. 93-233 by section 1(a), (b) of Pub. L. 93-335, effective July 1, 1974, see

section 1(c) of Pub. L. 93-335, set out as a note under section 1382 of Title 42, The Public Health and Welfare. See Repeals note below.

EFFECTIVE DATE OF 1972 AMENDMENT

Section 411(a) of Pub. L. 92-603 provided that the amendment made by that section is effective January 1, 1974.

Section 411(h) of Pub. L. 92-603 provided that: "Except as otherwise provided in this section, the amendments made by this section [amending this section and sections 2019 and 2023 of this title] shall take effect on January 1, 1973".

REPEALS

Section 3(b) of Pub. L. 93-86, cited as a credit to this section, was repealed, effective Oct. 1, 1977, by section 1302(a)(1) of Pub. L. 95-113. Section 3(b) of Pub. L. 93-86 had amended the definition of "household" in 1973 to exclude individuals receiving supplementary security income benefits under title XVI of the Social Security Act in certain months. For the period beginning Jan. 1, 1974, and ending September 30, 1978, Pub. L. 93-233, §8(a), Dec. 30, 1973, 87 Stat. 956, as amended by Pub. L. 93-335, §1(a), (b), July 8, 1974, 88 Stat. 291; Pub. L. 94-44, §3, June 28, 1975, 89 Stat. 235; Pub. L. 94-365, §2, July 14, 1976, 90 Stat. 990; Pub. L. 95-59, §3, June 30, 1977, 91 Stat. 255, provided that the amendment by section 3(b) of Pub. 93-86 should not be effective and that the definition of "household" should read as it did before such amendment but with the addition of a new sentence to exclude individuals receiving certain Federal or State supplementary payments under certain circumstances.

CONTINUED ELIGIBILITY

Section 205 of Pub. L. 103-225 provided that: "An establishment or house-to-house trade route that is otherwise authorized to accept and redeem coupons under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) on the day before the date of enactment of this Act [Mar. 25, 1994] shall be considered to meet the definition of 'retail food store' in section 3(k) of such Act (7 U.S.C. 2012(k)) (as amended by section 201) until the earlier of—

"(1) the periodic reauthorization of the establishment or route; or

"(2) such time as the eligibility of the establishment or route for continued participation in the food stamp program is evaluated for any reason."

REPORT ON IMPACT ON RETAIL FOOD STORES

Section 206 of Pub. L. 103-225 provided that: "Not later than 18 months after the date of enactment of this Act [Mar. 25, 1994], the Secretary of Agriculture shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the impact of the amendments made by sections 201 and 202 [amending this section and section 2018 of this title] on the involvement of retail food stores in the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including a description of—

"(1) the numbers and types of stores that were newly authorized to participate in the food stamp program after implementation of the amendments;

"(2) the numbers and types of stores that were withdrawn from the food stamp program after implementation of the amendments;

"(3) the procedures used by the Secretary, and the adequacy of the procedures used, to determine the eligibility of stores to participate in the food stamp program and to authorize and reauthorize the stores to participate in the food stamp program;

"(4) the adequacy of the guidance provided by the Secretary to retail food stores concerning—

"(A) the definitions of 'retail food store', 'staple foods', 'eligible foods', and 'perishable foods' for purposes of the food stamp program; and

"(B) eligibility criteria for stores to participate in the food stamp program; and

"(5) an assessment of whether the amendment to the definition of 'retail food store' under section 3(k) of such Act [subsec. (k) of this section] (as amended by section 201(1)) has had an adverse effect on the integrity of the food stamp program."

CONTINUING ELIGIBILITY OF CERTAIN RETAIL FOOD STORES

Pub. L. 103-205, §2, Dec. 17, 1993, 107 Stat. 2418, provided that: "Notwithstanding any other provision of law, during the period beginning on the date of enactment of this Act [Dec. 17, 1993] and ending on March 15, 1994, an establishment or house-to-house trade route that is otherwise authorized to accept and redeem coupons under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) on the date of enactment of this Act may not be disqualified from participation in the food stamp program solely because the establishment or trade route does not meet the definition of 'retail food store' under section 3(k)(1) of such Act (7 U.S.C. 2012(k)(1))."

PUBLICLY OPERATED COMMUNITY HEALTH CENTERS

Pub. L. 98-107, §101(b), Oct. 1, 1983, 97 Stat. 734, provided in part: "That notwithstanding any other provision of law or this joint resolution, the provisions of subsections (f) and (i) of section 3 and section 10 of the Food Stamp Act of 1977, as amended [7 U.S.C. 2012(f), (i) and 2019], concerning private, nonprofit drug addiction or alcoholic treatment and rehabilitation programs, shall also be applicable to publicly operated community health centers".

[Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104-299, set out as a note under section 254b of Title 42, The Public Health and Welfare.]

ELIGIBILITY OF SUPPLEMENTAL SECURITY INCOME RECIPIENTS FOR FOOD STAMPS DURING PRESCRIBED PERIOD BEGINNING JANUARY 1, 1974

Provisions respecting eligibility of supplemental security income recipients for food stamps during prescribed period beginning Jan. 1, 1974, see section 8(c) of Pub. L. 93-233, Dec. 31, 1974, 87 Stat. 957, set out as a note under section 1832e of Title 42, The Public Health and Welfare.

§ 2012a. Publicly operated community health centers

Notwithstanding any other provision of law, the provisions of subsections (f) and (i) of section 2012 of this title and section 2019 of this title, concerning private, nonprofit drug addiction or alcohol treatment and rehabilitation programs, shall henceforth also be applicable to publicly operated community health centers.

(Pub. L. 99-88, title I, §100, Aug. 15, 1985, 99 Stat. 297.)

CODIFICATION

Section was enacted as part of the Supplemental Appropriations Act, 1985, and not as part of the Food Stamp Act of 1977 which comprises this chapter.

REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER

Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104-299, set out as a note under section 254b of Title 42, The Public Health and Welfare.

§ 2013. Establishment of program**(a) Use of coupons; redeemability**

Subject to the availability of funds appropriated under section 2027 of this title, the Secretary is authorized to formulate and administer a food stamp program under which, at the request of the State agency, eligible households within the State shall be provided an opportunity to obtain a more nutritious diet through the issuance to them of an allotment, except that a State may not participate in the food stamp program if the Secretary determines that State or local sales taxes are collected within that State on purchases of food made with coupons issued under this chapter. The coupons so received by such households shall be used only to purchase food from retail food stores which have been approved for participation in the food stamp program. Coupons issued and used as provided in this chapter shall be redeemable at face value by the Secretary through the facilities of the Treasury of the United States.

(b) Distribution of federally donated foods

Distribution of commodities, with or without the food stamp program, shall be made whenever a request for concurrent or separate food program operations, respectively, is made by a tribal organization. In the event of distribution on all or part of an Indian reservation, the appropriate agency of the State government in the area involved shall be responsible for such distribution, except that, if the Secretary determines that the tribal organization is capable of effectively and efficiently administering such distribution, then such tribal organizations shall administer such distribution: *Provided*, That the Secretary shall not approve any plan for such distribution which permits any household on any Indian reservation to participate simultaneously in the food stamp program and the distribution of federally donated foods. The Secretary is authorized to pay such amounts for administrative costs of such distribution on Indian reservations as the Secretary finds necessary for effective administration of such distribution by a State agency or tribal organization.

(c) Regulations; transmittal of copy of regulations to Congressional committees prior to issuance

The Secretary shall issue such regulations consistent with this chapter as the Secretary deems necessary or appropriate for the effective and efficient administration of the food stamp program and shall promulgate all such regulations in accordance with the procedures set forth in section 553 of title 5. In addition, prior to issuing any regulation, the Secretary shall provide the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the regulation with a detailed statement justifying it.

(Pub. L. 88-525, §4, Aug. 31, 1964, 78 Stat. 704; Pub. L. 91-671, §3, Jan. 11, 1971, 84 Stat. 2049; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 961; Pub. L. 99-198, title XV, §§1505(a), 1506, Dec. 23, 1985, 99 Stat. 1567.)

AMENDMENTS

1985—Subsec. (a). Pub. L. 99-198, §1505(a), inserted “, except that a State may not participate in the food stamp program if the Secretary determines that State or local sales taxes are collected within that State on purchases of food made with coupons issued under this chapter” at end of first sentence.

Subsec. (b). Pub. L. 99-198, §1506, struck out first sentence which directed that in jurisdictions where the food stamp program is in operation, there shall be no distribution of federally donated foods to households under the authority of any law, except that distribution may be made (1) on a temporary basis under programs authorized by law to meet disaster relief needs, or (2) for the purpose of the commodity supplemental food program, and struck out “also” after “shall” in second sentence.

1977—Subsec. (a). Pub. L. 95-113 made establishment of food stamp program subject to availability of funds appropriated under section 2027 of this title.

Subsec. (b). Pub. L. 95-113 inserted provisions relating to requests by tribal organizations.

Subsec. (c). Pub. L. 95-113 inserted provisions relating to transmittal of regulations and accompanying statement of justification to Congressional committees.

1971—Subsec. (a). Pub. L. 91-671 substituted “the State agency” and “the charge to be paid for such allotment by eligible households” for “an appropriate State agency” and “their normal expenditures for food”, respectively, and struck out “more nearly” before “to obtain”.

Subsec. (b). Pub. L. 91-671 substituted “operation” for “effect”, “federally donated foods” for “federally owned foods” where first appearing, and exception provision for distributions to households: during temporary emergency situations, for period of time necessary to effect transition to a food stamp program as a replacement of distribution of federally donated foods, or on request of the State agency without simultaneous participation in both the food stamp program and distribution of federally donated foods for prior exception during emergency situations caused by a national or other disaster.

EFFECTIVE DATE OF 1985 AMENDMENT

Section 1505(b) of Pub. L. 99-198 provided that:

“(1) Except as provided in paragraph (2), the amendment made by subsection (a) [amending this section] shall take effect with respect to a State beginning on the first day of the fiscal year that commences in the calendar year during which the first regular session of the legislature of such State is convened following the date of enactment of this Act [Dec. 23, 1985].

“(2) Upon a showing by a State, to the satisfaction of the Secretary, that the application of paragraph (1), without regard to this paragraph, would have an adverse and disruptive effect on the administration of the food stamp program in such State or would provide inadequate time for retail stores to implement changes in sales tax policy required as a result of the amendment made by subsection (a) [amending this section], the Secretary may delay the effective date of subsection (a) with respect to such State to a date not later than October 1, 1987.”

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

§ 2014. Eligible households**(a) Income and other financial resources as substantial limiting factors in obtaining more nutritious diet; recipients under Social Security Act**

Participation in the food stamp program shall be limited to those households whose incomes

and other financial resources, held singly or in joint ownership, are determined to be a substantial limiting factor in permitting them to obtain a more nutritious diet. Notwithstanding any other provisions of this chapter except sections 2015(b), 2015(d)(2), and 2015(g) of this title and section 2012(i)(4) of this title, households in which each member receives benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], or aid to the aged, blind, or disabled under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., or 1381 et seq.], shall be eligible to participate in the food stamp program. Except for sections 2015, 2025(e)(1), and section 2012(i)(4) of this title, households in which each member receives benefits under a State or local general assistance program that complies with standards established by the Secretary for ensuring that the program is based on income criteria comparable to or more restrictive than those under subsection (c)(2) of this section, and not limited to one-time emergency payments that cannot be provided for more than one consecutive month, shall be eligible to participate in the food stamp program. Assistance under this program shall be furnished to all eligible households who make application for such participation.

(b) Eligibility standards

Except as otherwise provided in this chapter, the Secretary shall establish uniform national standards of eligibility (other than the income standards for Alaska, Hawaii, Guam, and the Virgin Islands of the United States established in accordance with subsections (c) and (e) of this section) for participation by households in the food stamp program in accordance with the provisions of this section. No plan of operation submitted by a State agency shall be approved unless the standards of eligibility meet those established by the Secretary, and no State agency shall impose any other standards of eligibility as a condition for participating in the program.

(c) Gross income standard

The income standards of eligibility shall be adjusted each October 1 and shall provide that a household shall be ineligible to participate in the food stamp program if—

(1) the household's income (after the exclusions and deductions provided for in subsections (d) and (e) of this section) exceeds the poverty line, as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), for the forty-eight contiguous States and the District of Columbia, Alaska, Hawaii, the Virgin Islands of the United States, and Guam, respectively; and

(2) in the case of a household that does not include an elderly or disabled member, the household's income (after the exclusions provided for in subsection (d) of this section but before the deductions provided for in subsection (e) of this section) exceeds such poverty line by more than 30 per centum.

In no event shall the standards of eligibility for the Virgin Islands of the United States or Guam

exceed those in the forty-eight contiguous States.

(d) Income excluded in computing household income

Household income for purposes of the food stamp program shall include all income from whatever source excluding only (1) any gain or benefit which is not in the form of money payable directly to a household (notwithstanding its conversion in whole or in part to direct payments to households pursuant to any demonstration project carried out or authorized under Federal law including demonstration projects created by the waiver of provisions of Federal law), (2) any income in the certification period which is received too infrequently or irregularly to be reasonably anticipated, but not in excess of \$30 in a quarter, subject to modification by the Secretary in light of subsection (f) of this section, (3) all educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like (A) awarded to a household member enrolled at a recognized institution of post-secondary education, at a school for the handicapped, in a vocational education program, or in a program that provides for completion of a secondary school diploma or obtaining the equivalent thereof, (B) to the extent that they do not exceed the amount used for or made available as an allowance determined by such school, institution, program, or other grantor, for tuition and mandatory fees (including the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved), books, supplies, transportation, and other miscellaneous personal expenses (other than living expenses), of the student incidental to attending such school, institution, or program, and (C) to the extent loans include any origination fees and insurance premiums, (4) all loans other than educational loans on which repayment is deferred, (5) reimbursements which do not exceed expenses actually incurred and which do not represent a gain or benefit to the household and any allowance a State agency provides no more frequently than annually to families with children on the occasion of those children's entering or returning to school or child care for the purpose of obtaining school clothes (except that no such allowance shall be excluded if the State agency reduces monthly assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in the month for which the allowance is provided): *Provided*, That no portion of benefits provided under title IV-A of the Social Security Act [42 U.S.C. 601 et seq.], to the extent it is attributable to an adjustment for work-related or child care expenses (except for payments or reimbursements for such expenses made under an employment, education, or training program initiated under such title after September 19, 1988), and no portion of any educational loan on which payment is deferred, grant, scholarship, fellowship, veterans' benefits, and the like that are provided for living expenses, shall be considered such reimbursement, (6) moneys received and used for the care and maintenance of a third-party beneficiary who is

not a household member, and child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments, (7) income earned by a child who is a member of the household, who is an elementary or secondary school student, and who is 17 years of age or younger, (8) moneys received in the form of nonrecurring lump-sum payments, including, but not limited to, income tax refunds, rebates, or credits, cash donations based on need that are received from one or more private nonprofit charitable organizations, but not in excess of \$300 in the aggregate in a quarter, retroactive lump-sum social security or railroad retirement pension payments and retroactive lump-sum insurance settlements: *Provided*, That such payments shall be counted as resources, unless specifically excluded by other laws, (9) the cost of producing self-employed income, but household income that otherwise is included under this subsection shall be reduced by the extent that the cost of producing self-employment income exceeds the income derived from self-employment as a farmer, (10) any income that any other Federal law specifically excludes from consideration as income for purposes of determining eligibility for the food stamp program except as otherwise provided in subsection (k) of this section, (11)(A) any payments or allowances made for the purpose of providing energy assistance under any Federal law (other than part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)), or (B) a 1-time payment or allowance made under a Federal or State law for the costs of weatherization or emergency repair or replacement of an unsafe or inoperative furnace or other heating or cooling device, (12) through September 30 of any fiscal year, any increase in income attributable to a cost-of-living adjustment made on or after July 1 of such fiscal year under title II or XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.], section 3(a)(1) of the Railroad Retirement Act of 1974 (45 U.S.C. 231b(a)(1)), or section 5312 of title 38, if the household was certified as eligible to participate in the food stamp program or received an allotment in the month immediately preceding the first month in which the adjustment was effective, (13) any payment made to the household under section 3507 of title 26 (relating to advance payment of earned income credit), (14) any payment made to the household under section 2015(d)(4)(I) of this title for work related expenses or for dependent care, (15) any amounts necessary for the fulfillment of a plan for achieving self-support of a household member as provided under subparagraph (A)(iii) or (B)(iv) of section 1612(b)(4) of the Social Security Act (42 U.S.C. 1382a(b)(4)), (16) at the option of the State agency, any educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like (other than loans, grants, scholarships, fellowships, veterans' educational benefits, and the like excluded under paragraph (3)), to the extent that they are required to be excluded under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), (17) at the option of the State agency, any State complementary assistance program payments that are excluded for the pur-

pose of determining eligibility for medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u-1), and (18) at the option of the State agency, any types of income that the State agency does not consider when determining eligibility for (A) cash assistance under a program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or the amount of such assistance, or (B) medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u-1), except that this paragraph does not authorize a State agency to exclude wages or salaries, benefits under title I, II, IV, X, XIV, or XVI of the Social Security Act (42 U.S.C. 301 et seq. [401 et seq., 601 et seq., 1201 et seq., 1351 et seq., 1381 et seq.]), regular payments from a government source (such as unemployment benefits and general assistance), worker's compensation, child support payments made to a household member by an individual who is legally obligated to make the payments, or such other types of income the consideration of which the Secretary determines by regulation to be essential to equitable determinations of eligibility and benefit levels.

(e) Deductions from income

(1) Standard deduction

(A) In general

(i) Deduction

The Secretary shall allow a standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, and the Virgin Islands of the United States in an amount that is—

(I) equal to 8.31 percent of the income standard of eligibility established under subsection (c)(1) of this section; but

(II) not more than 8.31 percent of the income standard of eligibility established under subsection (c)(1) of this section for a household of 6 members.

(ii) Minimum amount

Notwithstanding clause (i), the standard deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, and the Virgin Islands of the United States shall be not less than \$134, \$229, \$189, and \$118, respectively.

(B) Guam

(i) In general

The Secretary shall allow a standard deduction for each household in Guam in an amount that is—

(I) equal to 8.31 percent of twice the income standard of eligibility established under subsection (c)(1) of this section for the 48 contiguous States and the District of Columbia; but

(II) not more than 8.31 percent of twice the income standard of eligibility established under subsection (c)(1) of this section for the 48 contiguous States and the District of Columbia for a household of 6 members.

(ii) Minimum amount

Notwithstanding clause (i), the standard deduction for each household in Guam shall be not less than \$269.

(2) Earned income deduction**(A) "Earned income" defined**

In this paragraph, the term "earned income" does not include—

(i) income excluded by subsection (d) of this section; or

(ii) any portion of income earned under a work supplementation or support program, as defined under section 2025(b) of this title, that is attributable to public assistance.

(B) Deduction

Except as provided in subparagraph (C), a household with earned income shall be allowed a deduction of 20 percent of all earned income to compensate for taxes, other mandatory deductions from salary, and work expenses.

(C) Exception

The deduction described in subparagraph (B) shall not be allowed with respect to determining an overissuance due to the failure of a household to report earned income in a timely manner.

(3) Dependent care deduction**(A) In general**

A household shall be entitled, with respect to expenses (other than excluded expenses described in subparagraph (B)) for dependent care, to a dependent care deduction, the maximum allowable level of which shall be \$200 per month for each dependent child under 2 years of age and \$175 per month for each other dependent, for the actual cost of payments necessary for the care of a dependent if the care enables a household member to accept or continue employment, or training or education that is preparatory for employment.

(B) Excluded expenses

The excluded expenses referred to in subparagraph (A) are—

(i) expenses paid on behalf of the household by a third party;

(ii) amounts made available and excluded, for the expenses referred to in subparagraph (A), under subsection (d)(3) of this section; and

(iii) expenses that are paid under section 2015(d)(4) of this title.

(4) Deduction for child support payments**(A) In general**

In lieu of providing an exclusion for legally obligated child support payments made by a household member under subsection (d)(6) of this section, a State agency may elect to provide a deduction for the amount of the payments.

(B) Order of determining deductions

A deduction under this paragraph shall be determined before the computation of the excess shelter expense deduction under paragraph (6).

(5) Excess medical expense deduction**(A) In general**

A household containing an elderly or disabled member shall be entitled, with respect

to expenses other than expenses paid on behalf of the household by a third party, to an excess medical expense deduction for the portion of the actual costs of allowable medical expenses, incurred by the elderly or disabled member, exclusive of special diets, that exceeds \$35 per month.

(B) Method of claiming deduction**(i) In general**

A State agency shall offer an eligible household under subparagraph (A) a method of claiming a deduction for recurring medical expenses that are initially verified under the excess medical expense deduction in lieu of submitting information on, or verification of, actual expenses on a monthly basis.

(ii) Method

The method described in clause (i) shall—

(I) be designed to minimize the burden for the eligible elderly or disabled household member choosing to deduct the recurrent medical expenses of the member pursuant to the method;

(II) rely on reasonable estimates of the expected medical expenses of the member for the certification period (including changes that can be reasonably anticipated based on available information about the medical condition of the member, public or private medical insurance coverage, and the current verified medical expenses incurred by the member); and

(III) not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period.

(6) Excess shelter expense deduction**(A) In general**

A household shall be entitled, with respect to expenses other than expenses paid on behalf of the household by a third party, to an excess shelter expense deduction to the extent that the monthly amount expended by a household for shelter exceeds an amount equal to 50 percent of monthly household income after all other applicable deductions have been allowed.

(B) Maximum amount of deduction

In the case of a household that does not contain an elderly or disabled individual, in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States, the excess shelter expense deduction shall not exceed—

(i) for the period beginning on August 22, 1996, and ending on December 31, 1996, \$247, \$429, \$353, \$300, and \$182 per month, respectively;

(ii) for the period beginning on January 1, 1997, and ending on September 30, 1998, \$250, \$434, \$357, \$304, and \$184 per month, respectively;

(iii) for fiscal year 1999, \$275, \$478, \$393, \$334, and \$203 per month, respectively;

(iv) for fiscal year 2000, \$280, \$483, \$398, \$339, and \$208 per month, respectively;

(v) for fiscal year 2001, \$340, \$543, \$458, \$399, and \$268 per month, respectively; and

(vi) for fiscal year 2002 and each subsequent fiscal year, the applicable amount during the preceding fiscal year, as adjusted to reflect changes for the 12-month period ending the preceding November 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor.

(C) Standard utility allowance

(i) In general

In computing the excess shelter expense deduction, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance that does not fluctuate within a year to reflect seasonal variations.

(ii) Restrictions on heating and cooling expenses

An allowance for a heating or cooling expense may not be used in the case of a household that—

(I) does not incur a heating or cooling expense, as the case may be;

(II) does incur a heating or cooling expense but is located in a public housing unit that has central utility meters and charges households, with regard to the expense, only for excess utility costs; or

(III) shares the expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.

(iii) Mandatory allowance

(I) In general

A State agency may make the use of a standard utility allowance mandatory for all households with qualifying utility costs if—

(aa) the State agency has developed 1 or more standards that include the cost of heating and cooling and 1 or more standards that do not include the cost of heating and cooling; and

(bb) the Secretary finds (without regard to subclause (III)) that the standards will not result in an increased cost to the Secretary.

(II) Household election

A State agency that has not made the use of a standard utility allowance mandatory under subclause (I) shall allow a household to switch, at the end of a certification period, between the standard utility allowance and a deduction based on the actual utility costs of the household.

(III) Inapplicability of certain restrictions

Clauses (ii)(II) and (ii)(III) shall not apply in the case of a State agency that has made the use of a standard utility allowance mandatory under subclause (I).

(iv) Availability of allowance to recipients of energy assistance

(I) In general

Subject to subclause (II), if a State agency elects to use a standard utility allowance that reflects heating or cooling costs, the standard utility allowance shall be made available to households receiving a payment, or on behalf of which a payment is made, under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) or other similar energy assistance program, if the household still incurs out-of-pocket heating or cooling expenses in excess of any assistance paid on behalf of the household to an energy provider.

(II) Separate allowance

A State agency may use a separate standard utility allowance for households on behalf of which a payment described in subclause (I) is made, but may not be required to do so.

(III) States not electing to use separate allowance

A State agency that does not elect to use a separate allowance but makes a single standard utility allowance available to households incurring heating or cooling expenses (other than a household described in subclause (I) or (II) of clause (ii)) may not be required to reduce the allowance due to the provision (directly or indirectly) of assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

(IV) Proration of assistance

For the purpose of the food stamp program, assistance provided under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be prorated over the entire heating or cooling season for which the assistance was provided.

(D) Homeless households

(i) Alternative deduction

In lieu of the deduction provided under subparagraph (A), a State agency may elect to allow a household in which all members are homeless individuals, but that is not receiving free shelter throughout the month, to receive a deduction of \$143 per month.

(ii) Ineligibility

The State agency may make a household with extremely low shelter costs ineligible for the alternative deduction under clause (i).

(f) Calculation of household income; prospective or retrospective accounting basis; consistency

(1)(A) Household income for those households that, by contract for other than an hourly or piecework basis or by self-employment, derive their annual income in a period of time shorter than one year shall be calculated by averaging such income over a twelve-month period. Notwithstanding the preceding sentence, household income resulting from the self-employment of a member in a farming operation, who derives income from such farming operation and who has irregular expenses to produce such income, may, at the option of the household, be calculated by averaging such income and expenses over a 12-month period. Notwithstanding the first sentence, if the averaged amount does not accurately reflect the household's actual monthly circumstances because the household has experienced a substantial increase or decrease in business earnings, the State agency shall calculate the self-employment income based on anticipated earnings.

(B) Household income for those households that receive nonexcluded income of the type described in subsection (d)(3) of this section shall be calculated by averaging such income over the period for which it is received.

(C) SIMPLIFIED DETERMINATION OF DEDUCTIONS.—

(i) IN GENERAL.—Except as provided in clause (ii), for the purposes of subsection (e) of this section, a State agency may elect to disregard until the next recertification of eligibility under section 2020(e)(4) of this title 1 or more types of changes in the circumstances of a household that affect the amount of deductions the household may claim under subsection (e) of this section.

(ii) CHANGES THAT MAY NOT BE DISREGARDED.—Under clause (i), a State agency may not disregard—

(I) any reported change of residence; or

(II) under standards prescribed by the Secretary, any change in earned income.

(2)(A) Except as provided in subparagraphs (B), (C), and (D), households shall have their incomes calculated on a prospective basis, as provided in paragraph (3)(A), or, at the option of the State agency, on a retrospective basis, as provided in paragraph (3)(B).

(B) In the case of the first month, or at the option of the State, the first and second months, during a continuous period in which a household is certified, the State agency shall determine eligibility and the amount of benefits on the basis of the household's income and other relevant circumstances in such first or second month.

(C) Households specified in clauses (i), (ii), and (iii) of section 2015(c)(1)(A) of this title shall have their income calculated on a prospective basis, as provided in paragraph (3)(A).

(D) Except as provided in subparagraph (B), households required to submit monthly reports of their income and household circumstances under section 2015(c)(1) of this title shall have their income calculated on a retrospective basis, as provided in paragraph (3)(B).

(3)(A) Calculation of household income on a prospective basis is the calculation of income on the basis of the income reasonably anticipated to be received by the household during the period for which eligibility or benefits are being determined. Such calculation shall be made in accordance with regulations prescribed by the Secretary which shall provide for taking into account both the income reasonably anticipated to be received by the household during the period for which eligibility or benefits are being determined and the income received by the household during the preceding thirty days.

(B) Calculation of household income on a retrospective basis is the calculation of income for the period for which eligibility or benefits are being determined on the basis of income received in a previous period. Such calculation shall be made in accordance with regulations prescribed by the Secretary which may provide for the determination of eligibility on a prospective basis in some or all cases in which benefits are calculated under this paragraph. Such regulations shall provide for supplementing the initial allotments of newly applying households in those cases in which the determination of income under this paragraph causes serious hardship.

(4) In promulgating regulations under this subsection, the Secretary shall consult with the Secretary of Health and Human Services in order to assure that, to the extent feasible and consistent with the purposes of this chapter and the Social Security Act [42 U.S.C. 301 et seq.], the income of households receiving benefits under this chapter and title IV-A of the Social Security Act [42 U.S.C. 601 et seq.] is calculated on a comparable basis under this chapter and the Social Security Act. The Secretary is authorized, upon the request of a State agency, to waive any of the provisions of this subsection (except the provisions of paragraph (2)(A)) to the extent necessary to permit the State agency to calculate income for purposes of this chapter on the same basis that income is calculated under title IV-A of the Social Security Act in that State.

(g) Allowable financial resources which eligible household may own

(1) The Secretary shall prescribe the types and allowable amounts of financial resources (liquid and nonliquid assets) an eligible household may own, and shall, in so doing, assure that a household otherwise eligible to participate in the food stamp program will not be eligible to participate if its resources exceed \$2,000, or, in the case of a household which consists of or includes an elderly or disabled member, if its resources exceed \$3,000.

(2) INCLUDED ASSETS.—

(A) IN GENERAL.—Subject to the other provisions of this paragraph, the Secretary shall, in prescribing inclusions in, and exclusions from, financial resources, follow the regulations in force as of June 1, 1982 (other than those relating to licensed vehicles and inaccessible resources).

(B) ADDITIONAL INCLUDED ASSETS.—The Secretary shall include in financial resources—

(i) any boat, snowmobile, or airplane used for recreational purposes;

- (ii) any vacation home;
- (iii) any mobile home used primarily for vacation purposes;
- (iv) subject to subparagraphs (C) and (D), any licensed vehicle that is used for household transportation or to obtain or continue employment to the extent that the fair market value of the vehicle exceeds \$4,650; and
- (v) any savings or retirement account (including an individual account), regardless of whether there is a penalty for early withdrawal.

(C) EXCLUDED VEHICLES.—A vehicle (and any other property, real or personal, to the extent the property is directly related to the maintenance or use of the vehicle) shall not be included in financial resources under this paragraph if the vehicle is—

- (i) used to produce earned income;
- (ii) necessary for the transportation of a physically disabled household member; or
- (iii) depended on by a household to carry fuel for heating or water for home use and provides the primary source of fuel or water, respectively, for the household.

(D) ALTERNATIVE VEHICLE ALLOWANCE.—If the vehicle allowance standards that a State agency uses to determine eligibility for assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) would result in a lower attribution of resources to certain households than under subparagraph (B)(iv), in lieu of applying subparagraph (B)(iv), the State agency may elect to apply the State vehicle allowance standards to all households that would incur a lower attribution of resources under the State vehicle allowance standards.

(3) The Secretary shall exclude from financial resources the value of a burial plot for each member of a household and nonliquid resources necessary to allow the household to carry out a plan for self-sufficiency approved by the State agency that constitutes adequate participation in an employment and training program under section 2015(d) of this title. The Secretary shall also exclude from financial resources any earned income tax credits received by any member of the household for a period of 12 months from receipt if such member was participating in the food stamp program at the time the credits were received and participated in such program continuously during the 12-month period.

(4) In the case of farm property (including land, equipment, and supplies) that is essential to the self-employment of a household member in a farming operation, the Secretary shall exclude from financial resources the value of such property until the expiration of the 1-year period beginning on the date such member ceases to be self-employed in farming.

(5) The Secretary shall promulgate rules by which State agencies shall develop standards for identifying kinds of resources that, as a practical matter, the household is unlikely to be able to sell for any significant return because the household's interest is relatively slight or because the cost of selling the household's interest would be relatively great. Resources so identified shall be excluded as inaccessible re-

sources. A resource shall be so identified if its sale or other disposition is unlikely to produce any significant amount of funds for the support of the household. The Secretary shall not require the State agency to require verification of the value of a resource to be excluded under this paragraph unless the State agency determines that the information provided by the household is questionable.

(6) EXCLUSION OF TYPES OF FINANCIAL RESOURCES NOT CONSIDERED UNDER CERTAIN OTHER FEDERAL PROGRAMS.—

(A) IN GENERAL.—Subject to subparagraph (B), a State agency may, at the option of the State agency, exclude from financial resources under this subsection any types of financial resources that the State agency does not consider when determining eligibility for—

- (i) cash assistance under a program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or
- (ii) medical assistance under section 1931 of the Social Security Act (42 U.S.C. 1396u-1).

(B) LIMITATIONS.—Except to the extent that any of the types of resources specified in clauses (i) through (iv) are excluded under another paragraph of this subsection, subparagraph (A) does not authorize a State agency to exclude—

- (i) cash;
- (ii) licensed vehicles;
- (iii) amounts in any account in a financial institution that are readily available to the household; or
- (iv) any other similar type of resource the inclusion in financial resources of which the Secretary determines by regulation to be essential to equitable determinations of eligibility under the food stamp program.

(h) Temporary emergency standards of eligibility; Food Stamp Disaster Task Force; direct assistance to State and local officials

(1) The Secretary shall, after consultation with the official empowered to exercise the authority provided for by sections 5170a and 5192 of title 42, establish temporary emergency standards of eligibility for the duration of the emergency for households who are victims of a disaster which disrupts commercial channels of food distribution, if such households are in need of temporary food assistance and if commercial channels of food distribution have again become available to meet the temporary food needs of such households. Such standards as are prescribed for individual emergencies may be promulgated without regard to section 2013(c) of this title or the procedures set forth in section 553 of title 5.

(2) The Secretary shall—

(A) establish a Food Stamp Disaster Task Force to assist States in implementing and operating the disaster program and the regular food stamp program in the disaster area; and

(B) if the Secretary, in the Secretary's discretion, determines that it is cost-effective to send members of the Task Force to the disaster area, the Secretary shall send them to such area as soon as possible after the disaster occurs to provide direct assistance to State and local officials.

(3)(A) The Secretary shall provide, by regulation, for emergency allotments to eligible households to replace food destroyed in a disaster. The regulations shall provide for replacement of the value of food actually lost up to a limit approved by the Secretary not greater than the applicable maximum monthly allotment for the household size.

(B) The Secretary shall adjust issuance methods and reporting and other application requirements to be consistent with what is practicable under actual conditions in the affected area. In making this adjustment, the Secretary shall consider the availability of the State agency's offices and personnel, any conditions that make reliance on electronic benefit transfer systems described in section 2016(i) of this title impracticable, and any damage to or disruption of transportation and communication facilities.

(i) Attribution of income and resources to sponsored aliens; coverage, computations, etc.

(1) For purposes of determining eligibility for and the amount of benefits under this chapter for an individual who is an alien as described in section 2015(f)(2)(B) of this title, the income and resources of any person who as a sponsor of such individual's entry into the United States executed an affidavit of support or similar agreement with respect to such individual, and the income and resources of the sponsor's spouse if such spouse is living with the sponsor, shall be deemed to be the income and resources of such individual for a period of three years after the individual's entry into the United States. Any such income deemed to be income of such individual shall be treated as unearned income of such individual.

(2)(A) The amount of income of a sponsor, and the sponsor's spouse if living with the sponsor, which shall be deemed to be the unearned income of an alien for any year shall be determined as follows:

(i) the total yearly rate of earned and unearned income of such sponsor, and such sponsor's spouse if such spouse is living with the sponsor, shall be determined for such year under rules prescribed by the Secretary;

(ii) the amount determined under clause (i) of this subparagraph shall be reduced by an amount equal to the income eligibility standard as determined under subsection (c) of this section for a household equal in size to the sponsor, the sponsor's spouse if living with the sponsor, and any persons dependent upon or receiving support from the sponsor or the sponsor's spouse if the spouse is living with the sponsor; and

(iii) the monthly income attributed to such alien shall be one-twelfth of the amount calculated under clause (ii) of this subparagraph.

(B) The amount of resources of a sponsor, and the sponsor's spouse if living with the sponsor, which shall be deemed to be the resources of an alien for any year shall be determined as follows:

(i) the total amount of the resources of such sponsor and such sponsor's spouse if such spouse is living with the sponsor shall be determined under rules prescribed by the Secretary;

(ii) the amount determined under clause (i) of this subparagraph shall be reduced by \$1,500; and

(iii) the resources determined under clause (ii) of this subparagraph shall be deemed to be resources of such alien in addition to any resources of such alien.

(C)(i) Any individual who is an alien shall, during the period of three years after entry into the United States, in order to be an eligible individual or eligible spouse for purposes of this chapter, be required to provide to the State agency such information and documentation with respect to the alien's sponsor and sponsor's spouse as may be necessary in order for the State agency to make any determination required under this section, and to obtain any cooperation from such sponsor necessary for any such determination. Such alien shall also be required to provide such information and documentation which such alien or the sponsor provided in support of such alien's immigration application as the State agency may request.

(ii) The Secretary shall enter into agreements with the Secretary of State and the Attorney General whereby any information available to such persons and required in order to make any determination under this section will be provided by such persons to the Secretary, and whereby such persons shall inform any sponsor of an alien, at the time such sponsor executes an affidavit of support or similar agreement, of the requirements imposed by this section.

(D) Any sponsor of an alien, and such alien, shall be jointly and severably liable for an amount equal to any overpayment made to such alien during the period of three years after such alien's entry into the United States, on account of such sponsor's failure to provide correct information under the provisions of this section, except where such sponsor was without fault, or where good cause for such failure existed. Any such overpayment which is not repaid shall be recovered in accordance with the provisions of section 2022(b)(2)¹ of this title.

(E) The provisions of this subsection shall not apply with respect to any alien who is a member of the sponsor's household, as defined in section 2012(i) of this title, or to any alien who is under 18 years of age.

(j) Resource exemption for otherwise exempt households

Notwithstanding subsections (a) through (i) of this section, a State agency shall consider a household member who receives supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], aid to the aged, blind, or disabled under title I, II, X, XIV, or XVI of such Act [42 U.S.C. 301 et seq., 401 et seq., 1201 et seq., 1351 et seq., 1381 et seq.], or who receives benefits under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.) to have satisfied the resource limitations prescribed under subsection (g) of this section.

(k) Assistance to third parties included; educational benefits; exceptions

(1) For purposes of subsection (d)(1) of this section, except as provided in paragraph (2), assist-

¹ See References in Text note below.

ance provided to a third party on behalf of a household by a State or local government shall be considered money payable directly to the household if the assistance is provided in lieu of—

(A) a regular benefit payable to the household for living expenses under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

(B) a benefit payable to the household for housing expenses under—

(i) a State or local general assistance program; or

(ii) another basic assistance program comparable to general assistance (as determined by the Secretary).

(2) Paragraph (1) shall not apply to—

(A) medical assistance;

(B) child care assistance;

(C) a payment or allowance described in subsection (d)(11) of this section;

(D) assistance provided by a State or local housing authority;

(E) emergency assistance for migrant or seasonal farmworker households during the period such households are in the job stream;

(F) emergency and special assistance, to the extent excluded in regulations prescribed by the Secretary; or

(G) assistance provided to a third party on behalf of a household under a State or local general assistance program, or another local basic assistance program comparable to general assistance (as determined by the Secretary), if, under State law, no assistance under the program may be provided directly to the household in the form of a cash payment.

(3) For purposes of subsection (d)(1) of this section, educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like that are provided to a third party on behalf of a household for living expenses shall be treated as money payable directly to the household.

(4) **THIRD PARTY ENERGY ASSISTANCE PAYMENTS.**—

(A) **ENERGY ASSISTANCE PAYMENTS.**—For purposes of subsection (d)(1) of this section, a payment made under a State law (other than a law referred to in paragraph (2)(H))¹ to provide energy assistance to a household shall be considered money payable directly to the household.

(B) **ENERGY ASSISTANCE EXPENSES.**—For purposes of subsection (e)(6) of this section, an expense paid on behalf of a household under a State law to provide energy assistance shall be considered an out-of-pocket expense incurred and paid by the household.

(I) Earnings to participants of on-the-job training programs; exception

Notwithstanding section 181(a)(2) of the Workforce Investment Act of 1998 [29 U.S.C. 2931(a)(2)], earnings to individuals participating in on-the-job training under title I of the Workforce Investment Act of 1998 [29 U.S.C. 2801 et seq.] shall be considered earned income for purposes of the food stamp program, except for dependents less than 19 years of age.

(m) Simplified calculation of income for self-employed

(1) In general

Not later than 1 year after August 22, 1996, the Secretary shall establish a procedure by which a State may submit a method, designed to not increase Federal costs, for the approval of the Secretary, that the Secretary determines will produce a reasonable estimate of income excluded under subsection (d)(9) of this section in lieu of calculating the actual cost of producing self-employment income.

(2) Inclusive of all types of income or limited types of income

The method submitted by a State under paragraph (1) may allow a State to estimate income for all types of self-employment income or may be limited to 1 or more types of self-employment income.

(3) Differences for different types of income

The method submitted by a State under paragraph (1) may differ for different types of self-employment income.

(n) State options to simplify determination of child support payments

Regardless of whether a State agency elects to provide a deduction under subsection (e)(4) of this section, the Secretary shall establish simplified procedures to allow State agencies, at the option of the State agencies, to determine the amount of any legally obligated child support payments made, including procedures to allow the State agency to rely on information from the agency responsible for implementing the program under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) concerning payments made in prior months in lieu of obtaining current information from the households.

(Pub. L. 88-525, § 5, Aug. 31, 1964, 78 Stat. 704; Pub. L. 91-671, § 4, Jan. 11, 1971, 84 Stat. 2049; Pub. L. 93-86, § 3(d), (e), (g), (h), Aug. 10, 1973, 87 Stat. 246, 247; Pub. L. 95-113, title XIII, § 1301, Sept. 29, 1977, 91 Stat. 962; Pub. L. 96-58, § 2, Aug. 14, 1979, 93 Stat. 390; Pub. L. 96-223, title III, § 313(c)(2), Apr. 2, 1980, 94 Stat. 299; Pub. L. 96-249, title I, §§ 102-108, 112, 136-138, May 26, 1980, 94 Stat. 357-359, 361, 369, 370; Pub. L. 97-35, title I, §§ 104(a), 105-107, 115, 116(a)(1), title XXVI, § 2611, Aug. 13, 1981, 95 Stat. 358-361, 364, 902; Pub. L. 97-98, title XIII, §§ 1305-1309, Dec. 22, 1981, 95 Stat. 1283, 1284; Pub. L. 97-253, title I, §§ 143(b), 145(c), (d), 146-152(a), 153, 189(a), Sept. 8, 1982, 96 Stat. 773-776, 787; Pub. L. 98-204, § 4, Dec. 2, 1983, 97 Stat. 1385; Pub. L. 99-198, title XV, §§ 1507(a)(1), 1508-1513(a), 1514, 1515, Dec. 23, 1985, 99 Stat. 1567-1572; Pub. L. 99-500, § 101(a) [title VI, § 638(a)], Oct. 18, 1986, 100 Stat. 1783, 1783-34, and Pub. L. 99-591, § 101(a) [title VI, § 638(a)], Oct. 30, 1986, 100 Stat. 3341, 3341-34; Pub. L. 100-77, title VIII, §§ 803(a), 804(a), 805(a), 806(a), 807(a), July 22, 1987, 101 Stat. 534, 535; Pub. L. 100-232, § 2(a), Jan. 5, 1988, 101 Stat. 1566; Pub. L. 100-387, title V, § 501(a), Aug. 11, 1988, 102 Stat. 960; Pub. L. 100-435, title II, §§ 201, 202(a), title III, §§ 340-343, 351, title IV, §§ 402, 403, 404(f), Sept. 19, 1988, 102 Stat. 1655, 1656, 1663-1665, 1668; Pub. L. 100-707, title I, § 109(d), Nov. 23, 1988, 102 Stat. 4708; Pub.

L. 101-624, title XVII, §§1714-1718(a), 1719-1722, 1726(b)(2), Nov. 28, 1990, 104 Stat. 3783-3787; Pub. L. 102-40, title IV, §402(d)(2), May 7, 1991, 105 Stat. 239; Pub. L. 102-237, title IX, §§902-906, 941(2), Dec. 13, 1991, 105 Stat. 1884, 1885, 1892; Pub. L. 102-265, §1(a), Mar. 26, 1992, 106 Stat. 90; Pub. L. 102-367, title VII, §702(b), Sept. 7, 1992, 106 Stat. 1113; Pub. L. 103-66, title XIII, §§13911-13915, 13921, 13922(a), 13923, 13924, Aug. 10, 1993, 107 Stat. 673-675; Pub. L. 103-225, title I, §101(b)(2), Mar. 25, 1994, 108 Stat. 107; Pub. L. 104-193, title I, §109(a), title VIII, §§806-809(a), 810-812, Aug. 22, 1996, 110 Stat. 2169, 2309, 2313, 2314; Pub. L. 105-277, div. A, §101(f) [title VIII, §405(d)(2)(A), (f)(2)(A)], Oct. 21, 1998, 112 Stat. 2681-337, 2681-418, 2681-429; Pub. L. 106-387, §1(a) [title VIII, §§846(a), 847(a)], Oct. 28, 2000, 114 Stat. 1549, 1549A-65, 1549A-66; Pub. L. 107-171, title IV, §§4101-4108(a), 4112(b)(2), 4401(b)(2)(C), May 13, 2002, 116 Stat. 305-309, 313, 333.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (a), (d)(5), (11), (12), (16), (18), (f)(4), (g)(2)(D), (6)(A)(i), (j), (k)(1)(A), and (n), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles I, II, IV, X, XIV, XVI, and XIX of the Social Security Act are classified generally to subchapters I (§301 et seq.), II (§401 et seq.), IV (§601 et seq.), X (§1201 et seq.), XIV (§1351 et seq.), XVI (§1381 et seq.), and XIX (§1396 et seq.), respectively, of chapter 7 of Title 42, The Public Health and Welfare. Parts A and D of title IV of the Act are classified generally to parts A (§601 et seq.) and D (§651 et seq.) of subchapter IV of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Low-Income Home Energy Assistance Act of 1981, referred to in subsec. (e)(7)(C)(iv), is title XXVI of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 893, as amended, which is classified generally to subchapter II (§8621 et seq.) of chapter 94 of Title 42. For complete classification of this Act to the Code, see Short Title note set out under section 8621 of Title 42 and Tables.

Section 2022(b) of this title, referred to in subsec. (i)(2)(D), was amended generally by Pub. L. 104-193, title VIII, §844(a)(1), Aug. 22, 1996, 110 Stat. 2332, and, as so amended, provisions formerly appearing in section 2022(b)(2) of this title now appear in section 2022(b)(1) of this title.

Paragraph (2)(H), referred to in subsec. (k)(4)(A), meaning par. (2)(H) of subsec. (k), was redesignated par. (2)(G) by Pub. L. 104-193, title VIII, §811(2), Aug. 22, 1996, 110 Stat. 2314.

The Workforce Investment Act of 1998, referred to in subsec. (l), is Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 936, as amended. Title I of the Act is classified principally to chapter 30 (§2801 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 9201 of Title 20, Education, and Tables.

CODIFICATION

Pub. L. 99-591 is a corrected version of Pub. L. 99-500.

AMENDMENTS

2002—Subsec. (a). Pub. L. 107-171, §4112(b)(2), substituted “section 2012(i)(4) of this title” for “the third sentence of section 2012(i) of this title” in two places.

Subsec. (d)(6). Pub. L. 107-171, §4101(a), inserted at end “and child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.”

Subsec. (d)(16) to (18). Pub. L. 107-171, §4102, added pars. (16) to (18).

Subsec. (e)(1). Pub. L. 107-171, §4103, added par. (1) and struck out heading and text of former par. (1). Text read as follows: “The Secretary shall allow a standard

deduction for each household in the 48 contiguous States and the District of Columbia, Alaska, Hawaii, Guam, and the Virgin Islands of the United States of \$134, \$229, \$189, \$269, and \$118, respectively.”

Subsec. (e)(4). Pub. L. 107-171, §4101(b)(1), added par. (4) and struck out heading and text of former par. (4). Text read as follows:

“(A) IN GENERAL.—A household shall be entitled to a deduction for child support payments made by a household member to or for an individual who is not a member of the household if the household member is legally obligated to make the payments.

“(B) METHODS FOR DETERMINING AMOUNT.—The Secretary may prescribe by regulation the methods, including calculation on a retrospective basis, that a State agency shall use to determine the amount of the deduction for child support payments.”

Subsec. (e)(5), (6). Pub. L. 107-171, §4105(b)(1), redesignated pars. (6) and (7) as (5) and (6), respectively, and struck out heading and text of former par. (5). Text read as follows: “Under rules prescribed by the Secretary, a State agency may develop a standard homeless shelter allowance, which shall not exceed \$143 per month, for such expenses as may reasonably be expected to be incurred by households in which all members are homeless individuals but are not receiving free shelter throughout the month. A State agency that develops the allowance may use the allowance in determining eligibility and allotments for the households. The State agency may make a household with extremely low shelter costs ineligible for the allowance.”

Subsec. (e)(7). Pub. L. 107-171, §4105(b)(1)(B), redesignated par. (7) as (6). Former par. (6) redesignated (5).

Subsec. (e)(7)(C)(iii)(I)(bb). Pub. L. 107-171, §4104(1), inserted “(without regard to subclause (III))” after “Secretary finds”.

Subsec. (e)(7)(C)(iii)(III). Pub. L. 107-171, §4104(2), added subcl. (III).

Subsec. (e)(7)(D). Pub. L. 107-171, §4105(a), added subpar. (D).

Subsec. (f)(1)(C). Pub. L. 107-171, §4106, added subpar. (C).

Subsec. (g)(1). Pub. L. 107-171, §4107(1), substituted “an elderly or disabled member” for “a member who is 60 years of age or older”.

Subsec. (g)(6). Pub. L. 107-171, §4107(2), added par. (6).

Subsec. (h)(3)(B). Pub. L. 107-171, §4108(a), inserted “issuance methods and” after “Secretary shall adjust” in first sentence and inserted “, any conditions that make reliance on electronic benefit transfer systems described in section 2016(i) of this title impracticable,” after “personnel” in second sentence.

Subsec. (i)(2)(E). Pub. L. 107-171, §4401(b)(2)(C), inserted “, or to any alien who is under 18 years of age” before period at end.

Subsec. (k)(4)(B). Pub. L. 107-171, §4105(b)(2), substituted “subsection (e)(6) of this section” for “subsection (e)(7) of this section”.

Subsec. (n). Pub. L. 107-171, §4101(b)(2), added subsec. (n).

2000—Subsec. (e)(7)(B)(iii) to (vi). Pub. L. 106-387, §1(a) [title VIII, §846(a)], added cls. (iii) to (vi) and struck out former cls. (iii) and (iv) which read as follows:

“(iii) for fiscal years 1999 and 2000, \$275, \$478, \$393, \$334, and \$203 per month, respectively; and

“(iv) for fiscal year 2001 and each subsequent fiscal year, \$300, \$521, \$429, \$364, and \$221 per month, respectively.”

Subsec. (g)(2)(B)(iv). Pub. L. 106-387, §1(a) [title VIII, §847(a)(1)], substituted “subparagraphs (C) and (D)” for “subparagraph (C)” and “to the extent that the fair market value of the vehicle exceeds \$4,650; and” for “to the extent that the fair market value of the vehicle exceeds \$4,600 through September 30, 1996, and \$4,650 beginning October 1, 1996; and”.

Subsec. (g)(2)(D). Pub. L. 106-387, §1(a) [title VIII, §847(a)(2)], added subpar. (D).

1998—Subsec. (l). Pub. L. 105-277, §101(f) [title VIII, §405(f)(2)(A)], substituted “Notwithstanding section

181(a)(2) of the Workforce Investment Act of 1998, earnings to individuals participating in on-the-job training under title I of the Workforce Investment Act of 1998” for “Notwithstanding section 1552(b) of title 29 or section 181(a)(2) of the Workforce Investment Act of 1998, earnings to individuals participating in on-the-job training programs under section 1604(b)(1)(C) or 1644(c)(1)(A) of title 29 or in on-the-job training under title I of the Workforce Investment Act of 1998”.

Pub. L. 105-277, §101(f) [title VIII, §405(d)(2)(A)], substituted “Notwithstanding section 1552(b) of title 29 or section 181(a)(2) of the Workforce Investment Act of 1998, earnings to individuals participating in on-the-job training programs under section 1604(b)(1)(C) or 1644(c)(1)(A) of title 29 or in on-the-job training under title I of the Workforce Investment Act of 1998” for “Notwithstanding section 1552(b) of title 29, earnings to individuals participating in on-the-job training programs under section 1604(b)(1)(C) or section 1644(c)(1)(A) of title 29”.

1996—Subsec. (a). Pub. L. 104-193, §109(a)(1), substituted “program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)” for “plan approved under part A of title IV of the Social Security Act”.

Subsec. (b). Pub. L. 104-193, §806, inserted heading and substituted “Except as otherwise provided in this chapter, the Secretary” for “The Secretary”.

Subsec. (d)(5). Pub. L. 104-193, §109(a)(2)(A), substituted “assistance under a State program funded” for “assistance to families with dependent children”.

Subsec. (d)(7). Pub. L. 104-193, §807, substituted “17” for “21”.

Subsec. (d)(11). Pub. L. 104-193, §808(a), added par. (11) and struck out former par. (11) which read as follows: “any payments or allowances made for the purpose of providing energy assistance (A) under any Federal law, or (B) under any State or local laws, designated by the State or local legislative body authorizing such payments or allowances as energy assistance, and determined by the Secretary to be calculated as if provided by the State or local government involved on a seasonal basis for an aggregate period not to exceed six months in any year even if such payments or allowances (including tax credits) are not provided on a seasonal basis because it would be administratively infeasible or impracticable to do so.”

Subsec. (d)(13) to (16). Pub. L. 104-193, §109(a)(2)(B), redesignated pars. (14) to (16) as (13) to (15), respectively, and struck out former par. (13) which read as follows: “at the option of a State agency and subject to subsection (m) of this section, child support payments that are excluded under section 402(a)(8)(A)(vi) of the Social Security Act (42 U.S.C. 602(a)(8)(A)(vi)).”

Subsec. (e). Pub. L. 104-193, §809(a), added subsec. (e) and struck out former subsec. (e) which provided for deductions in computing household income for purposes of determining eligibility and benefit levels for households containing an elderly or disabled member and determining benefit levels only for all other households.

Subsec. (g)(2). Pub. L. 104-193, §810, added par. (2) and struck out former par. (2) which read as follows: “The Secretary shall, in prescribing inclusions in, and exclusions from, financial resources, follow the regulations in force as of June 1, 1982 (other than those relating to licensed vehicles and inaccessible resources), and shall, in addition, include in financial resources any boats, snowmobiles, and airplanes used for recreational purposes, any vacation homes, any mobile homes used primarily for vacation purposes, any licensed vehicle (other than one used to produce earned income or that is necessary for transportation of a physically disabled household member and any other property, real or personal, to the extent that it is directly related to the maintenance or use of such vehicle) used for household transportation or used to obtain or continue employment to the extent that the fair market value of any such vehicle exceeds a level set by the Secretary, which shall be \$4,500 through August 31, 1994, \$4,550 beginning September 1, 1994, through September 30, 1995, \$4,600 be-

ginning October 1, 1995, through September 30, 1996, and \$5,000 beginning October 1, 1996, as adjusted on such date and on each October 1 thereafter to reflect changes in the new car component of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics for the 12-month period ending on June 30 preceding the date of such adjustment and rounded to the nearest \$50, and, regardless of whether there is a penalty for early withdrawal, any savings or retirement accounts (including individual accounts). The Secretary shall exclude from financial resources the value of a vehicle that a household depends upon to carry fuel for heating or water for home use when such transported fuel or water is the primary source of fuel or water for the household.”

Subsec. (j). Pub. L. 104-193, §109(a)(3), substituted “program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.)” for “plan approved under part A of title IV of such Act (42 U.S.C. 601 et seq.)”.

Subsec. (k)(1). Pub. L. 104-193, §808(b)(1), in subpar. (A), substituted “State program funded” for “State plan for aid to families with dependent children approved” and in subpar. (B), struck out “, not including energy or utility-cost assistance,” before “under” in introductory provisions.

Subsec. (k)(2)(C). Pub. L. 104-193, §808(b)(2), added subpar. (C) and struck out former subpar. (C) which read as follows: “energy assistance”.

Subsec. (k)(2)(F) to (H). Pub. L. 104-193, §811, redesignated subpars. (G) and (H) as (F) and (G), respectively, and struck out former subpar. (F) which read as follows: “housing assistance payments made to a third party on behalf of the household residing in transitional housing for the homeless”.

Subsec. (k)(4). Pub. L. 104-193, §808(b)(3), added par. (4).

Subsec. (m). Pub. L. 104-193, §812, added subsec. (m).

Pub. L. 104-193, §109(a)(4), struck out subsec. (m) which read as follows: “If a State agency excludes payments from income for purposes of the food stamp program under subsection (d)(13) of this section, such State agency shall pay to the Federal Government, in a manner prescribed by the Secretary, the cost of any additional benefits provided to households in such State that arise under such program as the result of such exclusion.”

1994—Subsec. (f)(2)(C). Pub. L. 103-225 substituted “clauses (i), (ii), and (iii)” for “clauses (i), (ii), (iii), and (iv)”.

1993—Subsec. (d)(7). Pub. L. 103-66, §13911, substituted “who is an elementary or secondary school student, and who is 21 years of age or younger” for “who is a student, and who has not attained his eighteenth birthday”.

Subsec. (e). Pub. L. 103-66, §13922(a), in cl. (1) of fourth sentence, substituted “\$200 a month for each dependent child under 2 years of age and \$175 a month for each other dependent” for “\$160 a month for each dependent”, and struck out “, regardless of the dependent’s age,” before “when such care enables a household member to accept”.

Pub. L. 103-66, §13912(a)(1), in fourth sentence struck out “: *Provided*, That the amount of such excess shelter expense deduction shall not exceed \$164 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States \$285, \$234, \$199, and \$121 a month, respectively, adjusted on October 1, 1988, and on each October 1 thereafter, to the nearest lower dollar increment to reflect changes in the shelter, fuel, and utilities components of housing costs in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the twelve months ending the preceding June 30” after “deductions have been allowed”.

Pub. L. 103-66, §13912(b)(2), which directed amendment of subsec. (e), as amended by section 13912(b)(1) of Pub. L. 103-66, by striking out the fifth and sixth sen-

tences, could not be executed in view of amendment by Pub. L. 104-193. See 1996 Amendment note above and Effective Date of 1993 Amendment note below.

Pub. L. 103-66, §13912(b)(1), inserted new fifth and sixth sentences: "In the 15-month period ending September 30, 1995, such excess shelter expense deduction shall not exceed \$231 a month in the 48 contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, \$402, \$330, \$280, and \$171 a month, respectively. In the 15-month period ending December 31, 1996, such excess shelter expense deduction shall not exceed \$247 a month in the 48 contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, \$429, \$353, \$300, and \$182 a month, respectively."

Pub. L. 103-66, §13912(a)(2), in seventh sentence struck out "under clause (2) of the preceding sentence" after "shelter expense deduction".

Pub. L. 103-66, §13921, inserted at end: "Before determining the excess shelter expense deduction, all households shall be entitled to a deduction for child support payments made by a household member to or for an individual who is not a member of the household if such household member was legally obligated to make such payments, except that the Secretary is authorized to prescribe by regulation the methods, including calculation on a retrospective basis, that State agencies shall use to determine the amount of the deduction for child support payments."

Subsec. (g)(2). Pub. L. 103-66, §13924, inserted at end: "The Secretary shall exclude from financial resources the value of a vehicle that a household depends upon to carry fuel for heating or water for home use when such transported fuel or water is the primary source of fuel or water for the household."

Pub. L. 103-66, §13923, substituted "a level set by the Secretary, which shall be \$4,500 through August 31, 1994, \$4,550 beginning September 1, 1994, through September 30, 1995, \$4,600 beginning October 1, 1995, through September 30, 1996, and \$5,000 beginning October 1, 1996, as adjusted on such date and on each October 1 thereafter to reflect changes in the new car component of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics for the 12-month period ending on June 30 preceding the date of such adjustment and rounded to the nearest \$50" for "\$4,500".

Subsec. (g)(3). Pub. L. 103-66, §13913, inserted at end: "The Secretary shall also exclude from financial resources any earned income tax credits received by any member of the household for a period of 12 months from receipt if such member was participating in the food stamp program at the time the credits were received and participated in such program continuously during the 12-month period."

Subsec. (k)(1)(B). Pub. L. 103-66, §13915, substituted "housing expenses, not including energy or utility-cost assistance," for "living expenses".

Subsec. (k)(2)(F). Pub. L. 103-66, §13914, amended subpar. (F) generally. Prior to amendment, subpar. (F) read as follows: "housing assistance payments made to a third party on behalf of a household residing in transitional housing for the homeless in an amount equal to 50 percent of the maximum shelter allowance provided to families not residing in such transitional housing under the States' plan for aid to families with dependent children approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), if the State agency calculates a shelter allowance to be paid under the State plan separate and apart from payments for other household needs even though it may be paid in combination with other allowances in some cases;"

1992—Subsec. (d)(16). Pub. L. 102-265 substituted "subparagraph (A)(iii) or (B)(iv) of section 1612(b)(4) of the Social Security Act (42 U.S.C. 1382a(b)(4))" for "section 1612(b)(4)(B)(iv) of the Social Security Act (42 U.S.C. 1382a(b)(4)(B)(iv))".

Subsec. (I). Pub. L. 102-367 substituted "section 1604(b)(1)(C) or section 1644(c)(1)(A) of title 29" for "section 1604(5) of title 29".

1991—Subsec. (a). Pub. L. 102-237, §902, substituted "based on income criteria comparable to or more restrictive than those under subsection (c)(2) of this section, and not limited to one-time emergency payments that cannot be provided for more than one consecutive month," for "appropriate for categorical treatment".

Subsec. (d)(2). Pub. L. 102-237, §941(2)(A), made technical amendment to reference to subsection (f) of this section involving corresponding provision of original act.

Subsec. (d)(3)(A). Pub. L. 102-237, §903(1)(A), substituted "awarded to a household member enrolled" for "to the extent that they are used for tuition and mandatory school fees (including the rental or purchase of any equipment, materials, and supplies required to pursue the course of study involved)".

Subsec. (d)(3)(B). Pub. L. 102-237, §903(1)(B), inserted "used for or" after "amount" and substituted "program, or other grantor, for tuition and mandatory fees (including the rental or purchase of any equipment, materials, and supplies related to the pursuit of the course of study involved)," for "or program for".

Subsec. (d)(12). Pub. L. 102-40 substituted "section 5312 of title 38" for "section 3112 of title 38".

Subsec. (d)(16). Pub. L. 102-237, §903(2), (3), added par. (16).

Subsec. (g)(5). Pub. L. 102-237, §904, inserted at end "A resource shall be so identified if its sale or other disposition is unlikely to produce any significant amount of funds for the support of the household. The Secretary shall not require the State agency to require verification of the value of a resource to be excluded under this paragraph unless the State agency determines that the information provided by the household is questionable."

Subsec. (h)(1). Pub. L. 102-237, §941(2)(B), made technical amendment to references to sections 5170a and 5192 of title 42 to reflect change in reference to corresponding provision of original act.

Subsec. (j). Pub. L. 102-237, §905, amended subsec. (j) generally. Prior to amendment, subsec. (j) read as follows: "Notwithstanding subsections (a) through (i) of this section, a State agency may consider the resources of a household member who receives supplemental security income benefits under title XVI of the Social Security Act, aid to the aged, blind, or disabled under title I, X, XIV, or XVI of the Social Security Act or who receives benefits under a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and whose income does not exceed the applicable income standard of eligibility described in subsection (c)(2) of this section to be exempt for purposes of satisfying the resource limitations prescribed under subsection (g) of this section if the resources are considered exempt for purposes of such title."

Subsec. (k)(2)(E). Pub. L. 102-237, §941(2)(C), realigned the margin.

Subsec. (k)(2)(F). Pub. L. 102-237, §906, inserted before semicolon at end "if the State agency calculates a shelter allowance to be paid under the State plan separate and apart from payments for other household needs even though it may be paid in combination with other allowances in some cases".

1990—Subsec. (a). Pub. L. 101-624, §1714(2), inserted after second sentence "Except for sections 2015, 2025(e)(1), and the third sentence of section 2012(i) of this title, households in which each member receives benefits under a State or local general assistance program that complies with standards established by the Secretary for ensuring that the program is appropriate for categorical treatment shall be eligible to participate in the food stamp program."

Pub. L. 101-624, §1714(1), struck out "and beginning on December 23, 1985," before "households in which each member receives".

Subsec. (d)(3). Pub. L. 101-624, §1715(a)(1), inserted "(A)" after "the like" and substituted "(including the rental or purchase of any equipment, materials, and supplies required to pursue the course of study involved) at a recognized institution of post-secondary

education, at a school for the handicapped, in a vocational education program, or in a program that provides for completion of a secondary school diploma or obtaining the equivalent thereof, (B) to the extent that they do not exceed the amount made available as an allowance determined by such school, institution, or program for books, supplies, transportation, and other miscellaneous personal expenses (other than living expenses), of the student incidental to attending such school, institution, or program, and (C)" for "at an institution of post-secondary education or school for the handicapped, and".

Subsec. (d)(5). Pub. L. 101-624, §1716, inserted "and any allowance a State agency provides no more frequently than annually to families with children on the occasion of those children's entering or returning to school or child care for the purpose of obtaining school clothes (except that no such allowance shall be excluded if the State agency reduces monthly assistance to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in the month for which the allowance is provided)" after "household".

Pub. L. 101-624, §1715(a)(2), inserted "and" after "1988)", struck out "non-Federal" after "no portion of any", and struck out "and no portion of any Federal educational loan on which payment is deferred, grant, scholarship, fellowship, veterans' benefits, and the like to the extent it provides income assistance beyond that used for tuition and mandatory school fees," before "shall be considered such reimbursement".

Subsec. (e). Pub. L. 101-624, §1717, inserted before period at end of last sentence "shall rely on reasonable estimates of the member's expected medical expenses for the certification period (including changes that can be reasonably anticipated based on available information about the member's medical condition, public or private medical insurance coverage, and the current verified medical expenses incurred by the member), and shall not require further reporting or verification of a change in medical expenses if such a change has been anticipated for the certification period".

Pub. L. 101-624, §1715(b), inserted "amounts made available and excluded for the expenses under subsection (d)(3) of this section," after "third party" in fourth sentence.

Subsec. (f)(2). Pub. L. 101-624, §1718(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows:

"(A) Households not required to submit monthly reports of their income and household circumstances under section 2015(c)(1) of this title shall have their income calculated on a prospective basis, as provided in paragraph (3)(A).

"(B) Households required to submit monthly reports of their income and household circumstances under section 2015(c)(1) of this title shall have their income calculated on a retrospective basis, as provided in paragraph (3)(B), except that in the case of the first month, or at the option of the State the first and second months, in a continuous period in which a household is certified, the State agency shall determine the amount of benefits on the basis of the household's income and other relevant circumstances in such first or second month."

Subsec. (g). Pub. L. 101-624, §1726(b)(2), inserted before period at end of par. (3) "and nonliquid resources necessary to allow the household to carry out a plan for self-sufficiency approved by the State agency that constitutes adequate participation in an employment and training program under section 2015(d) of this title".

Pub. L. 101-624, §1719(1), designated first through fourth sentences as pars. (1) to (4), respectively, and added par. (5).

Subsec. (h)(3). Pub. L. 101-624, §1720, added par. (3).

Subsec. (j). Pub. L. 101-624, §1719(2), substituted "the resources of a household member who receives supplemental security income benefits under title XVI of the Social Security Act, aid to the aged, blind, or disabled under title I, X, XIV, or XVI of the Social Security Act

or who receives" for "a household in which all members of the household receive" and "be exempt for purposes of satisfying the resource limitations prescribed under subsection (g) of this section if the resources are considered exempt for purposes of such title" for "have satisfied the resource limitations prescribed under subsection (g) of this section".

Subsec. (k)(2)(F). Pub. L. 101-624, §1721, added subpar. (F) and struck out former subpar. (F) which read as follows: "housing assistance payments made to a third party on behalf of a household residing in temporary housing if the temporary housing unit provided for the household as a result of such assistance payments lacks facilities for the preparation and cooking of hot meals or the refrigerated storage of food for home consumption; or".

Subsec. (k)(2)(H). Pub. L. 101-624, §1722, added subpar. (H).

1988—Subsec. (a). Pub. L. 100-435, §201, struck out "during the period" before "beginning on December 23, 1985" and "and ending on September 30, 1989" after "beginning on December 23, 1985,".

Subsec. (d)(1). Pub. L. 100-435, §340(2), inserted "(notwithstanding its conversion in whole or in part to direct payments to households pursuant to any demonstration project carried out or authorized under Federal law including demonstration projects created by the waiver of provisions of Federal law)" after "to a household".

Pub. L. 100-435, §340(1), which directed that "and except as provided in subsection (k)," be struck out was executed by striking out "except as provided in subsection (k)," as the probable intent of Congress.

Subsec. (d)(5). Pub. L. 100-435, §404(f), inserted "(except for payments or reimbursements for such expenses made under an employment, education, or training program initiated under such title after September 19, 1988)" after "child care expenses".

Subsec. (d)(8). Pub. L. 100-232 inserted "cash donations based on need that are received from one or more private nonprofit charitable organizations, but not in excess of \$300 in the aggregate in a quarter," after "or credits,".

Subsec. (d)(11). Pub. L. 100-435, §343, substituted "allowances made for the purpose of providing energy assistance (A) under any Federal law, or (B) under any State or local laws, designated" for "allowances made under (A) any Federal law for the purpose of providing energy assistance, or (B) any State or local laws for the purpose of providing energy assistance, designated".

Subsec. (d)(14). Pub. L. 100-435, §402, added cl. (14).

Subsec. (d)(15). Pub. L. 100-435, §403(a), added cl. (15).

Subsec. (e). Pub. L. 100-435, §403(b), in fourth sentence inserted "and expenses that are paid under section 2015(d)(4)(I) of this title for dependent care" after "third party" and substituted "\$160 a month for each dependent" for "\$160 a month".

Pub. L. 100-435, §351, inserted provisions at end respecting method of claiming recurring medical expense deduction.

Subsec. (f)(1)(A). Pub. L. 100-435, §341, inserted provisions relating to permitted averaging of income and expenses in calculation of household income from member self-employed in farming operation and substituted "first" for "preceding".

Subsec. (f)(2). Pub. L. 100-435, §202(a), added par. (2) and struck out former par. (2) which read as follows:

"(A) Household income for—

"(i) migrant farmworker households, and

"(ii) households—

"(I) that have no earned income, and

"(II) in which all adult members are elderly or disabled members,

shall be calculated on a prospective basis, as provided in paragraph (3)(A).

"(B) Household income for households that are permitted to report household circumstances at specified intervals less frequent than monthly under the first sentence of section 2015(c)(1) of this title, may, with the approval of the Secretary, be calculated by a State

agency on a prospective basis, as provided in paragraph (3)(A) of this subsection.

“(C) Except as provided in subparagraphs (A) and (B), household income for households that have earned income and for households that include any member who has recent work history shall be calculated on a retrospective basis as provided in paragraph (3)(B).

“(D) Household income for all other households may be calculated, at the option of the State agency, on a prospective basis as provided in paragraph (3)(A) or on a retrospective basis as provided in paragraph (3)(B).”

Subsec. (g). Pub. L. 100-435, §342, inserted provisions at end relating to exclusion of farm property from financial resources.

Subsec. (h). Pub. L. 100-707 substituted “sections 5170a and 5192” for “section 5142(a)”.

Subsec. (k)(2)(E) to (G). Pub. L. 100-387 added subpar. (E) and redesignated former subpars. (E) and (F) as (F) and (G), respectively.

1987—Subsec. (c). Pub. L. 100-77, §803(a), inserted “shall be adjusted each October 1 and” after first reference to “eligibility”.

Subsec. (e). Pub. L. 100-77, §804(a), in second sentence substituted “(3)” for “and (3)” and “October 1, 1986” for “each October 1 thereafter”, and inserted cl. (4).

Pub. L. 100-77, §805(a), inserted at end of third sentence “, except that such additional deduction shall not be allowed with respect to earned income that a household willfully or fraudulently fails (as proven in a proceeding provided for in section 2015(b) of this title) to report in a timely manner”.

Pub. L. 100-77, §806(a), amended proviso in fourth sentence generally. Prior to amendment, the proviso read as follows: “That the amount of such excess shelter expense deduction shall not exceed \$147 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, \$256, \$210, \$179, and \$109 a month, respectively, adjusted on October 1, 1986, and on each October 1 thereafter, to the nearest lower dollar increment to reflect changes in the shelter (exclusive of homeowners’ costs and maintenance and repair component of shelter costs), fuel, and utilities components of housing costs in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the twelve months ending the preceding June 30.”

Subsec. (k)(2). Pub. L. 100-77, §807, temporarily added subpar. (E) and redesignated former subpar. (E) as (F). See Effective and Termination Dates of 1987 Amendment note below.

1986—Subsec. (e)(B). Pub. L. 99-500 and Pub. L. 99-591 substituted “contained in clause (1)” for “for the excess shelter expense deduction contained in clause (2)”.

1985—Subsec. (a). Pub. L. 99-198, §1507(a)(1), inserted sentence providing that, notwithstanding any other provisions of this chapter except sections 2015(b), 2015(d)(2), and 2015(g) and the third sentence of section 2012(i) of this title, and during the period beginning on December 23, 1985, and ending on September 30, 1989, households in which each member receives benefits under a State plan approved under part A of title IV of the Social Security Act, supplemental security income benefits under title XVI of the Social Security Act, or aid to the aged, blind, or disabled under title I, X, XIV, or XVI of the Social Security Act, shall be eligible to participate in the food stamp program.

Subsec. (d)(1). Pub. L. 99-198, §1508(1), inserted “except as provided in subsection (k) of this section,” after “payable directly to a household.” Such amendment was duplicated exactly by section 1509(a)(1) of Pub. L. 99-198 except that the amendment by section 1509(a)(1) inserted an “and” at beginning of phrase inserted.

Pub. L. 99-198, §1509(a)(1), which directed that “and except as provided in subsection (k) of this section,” be inserted after “payable directly to a household,” was not executed to text because it exactly duplicates the amendment made by section 1508(1) of Pub. L. 99-198 ex-

cept that the amendment by section 1508(1) of Pub. L. 99-198 does not contain the “and” at beginning of phrase inserted.

Subsec. (d)(3). Pub. L. 99-198, §1509(a)(2), substituted “post-secondary education” for “higher education” and inserted “and to the extent loans include any obligation fees and insurance premiums.”

Subsec. (d)(5). Pub. L. 99-198, §1509(a)(3), inserted “no portion of any non-Federal educational loan on which payment is deferred, grant, scholarship, fellowship, veterans’ benefits, and the like that are provided for living expenses, and no portion of any Federal educational loan on which payment is deferred, grant, scholarship, fellowship, veterans’ benefits, and the like to the extent it provides income assistance beyond that used for tuition and mandatory school fees,” after “child care expenses.”

Subsec. (d)(9). Pub. L. 99-198, §1509(a)(4), inserted “, but household income that otherwise is included under this subsection shall be reduced by the extent that the cost of producing self-employment income exceeds the income derived from self-employment as a farmer”.

Subsec. (d)(10). Pub. L. 99-198, §1509(a)(5), inserted “except as otherwise provided in subsection (k) of this section”.

Subsec. (d)(13). Pub. L. 99-198, §1510(1), added cl. (13).

Subsec. (e). Pub. L. 99-198, §1511(1), substituted “homeowners’ costs and maintenance and repair component” for “homeownership component” in second sentence.

Pub. L. 99-198, §1511(2), substituted “20 per centum” for “18 per centum” in third sentence.

Pub. L. 99-198, §1511(3)(B), in cl. (1) of the fourth sentence substituted “\$160 a month” for “the same as that for the excess shelter expense deduction contained in clause (2) of this subsection”.

Pub. L. 99-198, §1511(3)(C), substituted “and (2)” for “, or (2)” in fourth sentence.

Pub. L. 99-198, §1511(3)(A), amended proviso in cl. (2) generally. Prior to amendment, proviso read as follows: “That the amount of such excess shelter expense deduction shall not exceed \$115 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, \$200, \$165, \$140, and \$85, respectively, adjusted (i) on October 1, 1983, to the nearest lower dollar increment to reflect changes in the shelter (exclusive of homeownership costs), fuel, and utilities components of housing costs in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, as appropriately adjusted by the Bureau of Labor Statistics after consultation with the Secretary, for the fifteen months ending the preceding March 31, (ii) on October 1, 1984, to the nearest lower dollar increment to reflect such changes for the fifteen months ending the preceding June 30, and (iii) on October 1, 1985, and each October 1 thereafter, to the nearest lower dollar increment to reflect such changes for the twelve months ending the preceding June 30.”

Pub. L. 99-198, §1511(3)(D), in fourth sentence struck out “, or (3) a deduction combining the dependent care and excess shelter expense deductions under clauses (1) and (2) of this subsection, the maximum allowable level of which shall not exceed the maximum allowable deduction under clause (2) of this subsection, on January 1, 1981, adjusted to the nearest \$5 increment to reflect such changes for the eighteen-month period ending the preceding September 30, and, on January 1, 1982, adjusted to the nearest \$5 to reflect such changes for the twelve months ending the preceding September 30 and the subsequent three months ending December 31 as projected by the Secretary in light of the best available data, and, on every January 1 thereafter, adjusted annually to the nearest \$5 increment to reflect such changes for the nine months ending the preceding September 30 and the subsequent three months ending December 31 projected by the Secretary in light of the best available data”.

Pub. L. 99-198, §1511(4), inserted five new sentences after the existing seventh sentence beginning, respectively, “If a State agency”, “A State agency may use”, “A State agency not electing”, “For purposes of”, and “A State agency shall allow”, thereby repositioning existing sentence beginning “Households containing an elderly or disabled member” to a new position as 13th sentence of subsec. (e).

Subsec. (f)(1)(A). Pub. L. 99-198, §1512, inserted sentence at end providing that notwithstanding preceding sentence, if the averaged amount does not accurately reflect the household’s actual monthly circumstances because the household has experienced a substantial increase or decrease in business earnings, the State agency shall calculate the self-employment income based on anticipated earnings.

Subsec. (f)(2)(A). Pub. L. 99-198, §1513(a)(1), amended subpar. (A) generally, inserting reference to households that have no earned income and in which all adult members are elderly or disabled members.

Subsec. (f)(2)(B). Pub. L. 99-198, §1513(a)(2), substituted “households that are permitted to report household circumstances at specified intervals less frequent than monthly under the first sentence of section 2015(c)(1) of this title, may, with the approval” for “households that (i) are permitted to report household circumstances at specified intervals less frequent than monthly under section 2015(c)(1) of this title, (ii) have no earned income and in which all adult members are elderly or disabled members, or (iii) are any other households, other than a migrant household, not required to report monthly or at less frequent intervals under section 2015(c)(1) of this title, may, with the approval”.

Subsec. (f)(2)(C). Pub. L. 99-198, §1513(a)(3), substituted “Except as provided in subparagraphs (A) and (B), household income for households that have earned income and for households that include any member who has recent work history shall be calculated on a retrospective basis as provided in paragraph (3)(B)” for “Household income for all other households shall be calculated on a retrospective basis as provided in paragraph (3)(B)”.

Subsec. (f)(2)(D). Pub. L. 99-198, §1513(a)(3), added subpar. (D).

Subsec. (g). Pub. L. 99-198, §1514(1), substituted “\$2,000, or, in the case of a household which consists of or includes a member who is 60 years of age or older, if its resources exceed \$3,000” for “\$1,500, or, in the case of a household consisting of two or more persons, one of whom is age 60 or over, if its resources exceed \$3,000”.

Pub. L. 99-198, §1514(2), (3), inserted in second sentence “and inaccessible resources” after “relating to licensed vehicles” and “and any other property, real or personal, to the extent that it is directly related to the maintenance or use of such vehicle” after “physically disabled household member”, and inserted provision directing the Secretary to exclude from financial resources the value of a burial plot for each member of a household.

Subsec. (h)(2). Pub. L. 99-198, §1515, amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The Secretary shall establish a Food Stamp Disaster Task Force, to assist States in implementing and operating the disaster program, which shall be available to go into a disaster area and provide direct assistance to State and local officials.”

Subsec. (k)(1), (2). Pub. L. 99-198, §1508(2), added subsec. (k) consisting of pars. (1) and (2).

Subsec. (k)(3). Pub. L. 99-198, §1509(b), added par. (3).

Subsec. (l). Pub. L. 99-198, §1509(c), added subsec. (l).

Subsec. (m). Pub. L. 99-198, §1510(2), added subsec. (m).

1983—Subsec. (f)(2). Pub. L. 98-204 added subpar. (B), and redesignated former subpar. (B) as (C).

1982—Subsec. (c). Pub. L. 97-253, §§145(c), 146(a), substituted provisions that the income standards of eligibility shall render a household ineligible for food stamps if the household’s income, after certain exclu-

sions and deductions, exceeds the poverty line, or, in the case of a household not including an elderly or disabled member (after the exclusions provided for in subsec. (d) but before the deductions provided for in subsec. (e)) exceeds such poverty line by more than 30 per centum, for former provisions that the income standards of eligibility were, for households containing a member who was sixty years of age or over or a member who received supplemental security income benefits under title XVI of the Social Security Act or disability and blindness payments under titles I, II, X, XIV, and XVI of the Social Security Act, 100 per centum, and for all other households, 130 per centum, of the nonfarm income poverty guidelines prescribed by the Office of Management and Budget adjusted annually pursuant to section 2971d of title 42, for the forty-eight States and the District of Columbia, Alaska, Hawaii, the Virgin Islands of the United States, and Guam, respectively.

Subsec. (d)(12). Pub. L. 97-253, §147, added par. (12).

Subsec. (e). Pub. L. 97-253, §§143(b), 145(d), 146(b), 148, 149, in first sentence substituted reference for households containing an elderly or disabled member for reference to households described in subsec. (c)(1) of this section, substituted reference to October 1, 1983, for reference to July 1, 1983, and reference to the nearest lower dollar increment for reference to the nearest \$5 increment, respectively, wherever appearing in second sentence and in the proviso of cl. (2) of fourth sentence, respectively, in fourth and seventh sentences and in par. (A) substituted reference to elderly or disabled members for references to members who were sixty years of age or over or who received supplemental security income benefits under title XVI of the Social Security Act or disability and blindness payments under titles I, II, X, XIV, and XVI of the Social Security Act, in par. (B) substituted reference to the fourth sentence of this subsection for former reference to the preceding sentence of this subsection, and inserted provisions that in computing the excess shelter expense deduction under cl. (2) of the preceding sentence, a State agency may use a standard utility allowance in accordance with regulations promulgated by the Secretary, except that a State agency may use an allowance which does not fluctuate within a year to reflect seasonal variations, and that an allowance for a heating or cooling expense may not be used for a household that does not incur a heating or cooling expense, as the case may be, or does incur a heating or cooling expense but is located in a public housing unit which has central utility meters and charges households, with regard to such expense, only for excess utility costs, and that no such allowance may be used for a household that shares such expense with, and lives with, another individual not participating in the food stamp program, another household participating in the food stamp program, or both, unless the allowance is prorated between the household and the other individual, household, or both.

Subsec. (f)(2)(A). Pub. L. 97-253, §189(a), corrected a typographical error by substituting “prospective” for “propective”.

Subsec. (f)(4). Pub. L. 97-253, §150, inserted “(except the provisions of paragraph (2)(A))” after “of this subsection”.

Subsec. (g). Pub. L. 97-253, §§151, 152(a), substituted “June 1, 1982” for “June 1, 1977”, substituted “any licensed vehicle” for “and any licensed vehicle”, struck out the designation “(1)” before “include in financial resources”, substituted “\$4,500, and, regardless of whether there is a penalty for early withdrawal, any savings or retirement accounts (including individual accounts)” for “\$4,500,” and struck out provision requiring the Secretary to study and develop means of improving the effectiveness of the resource requirements adopted under this subsection in limiting participation to households in need of food assistance, and implement and report the results of such study and the Secretary’s plans to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than June 1, 1978.

Subsec. (j). Pub. L. 97-253, §153, added subsec. (j).
1981—Subsec. (b). Pub. L. 97-35, §116(a)(1), struck out reference to Puerto Rico.

Subsec. (c). Pub. L. 97-35, §§104(a)(1), 116(a)(1), added cls. (1) and (2) and struck out reference to Puerto Rico.

Subsec. (d). Pub. L. 97-98, §§1305, 1306, inserted in cl. (5) a proviso that no portion of benefits provided under title IV-A of the Social Security Act, to the extent it is attributable to an adjustment for work-related or child care expenses, be considered such reimbursement, substituted in cl. (10) “any other Federal law” for “any other law”, and inserted in cl. (11) provision requiring that State and local laws be designated as energy assistance and determined by the Secretary to be calculated as if provided on a seasonal basis for an aggregate period not to exceed six months in any year even if not so provided on such basis.

Pub. L. 97-35, §§107(c), 2611, struck out “(2)” after “(f)” in cl. (2), struck out cl. (10) relating to increased home energy costs during fiscal year 1981, and redesignated cl. (11), relating to income specifically excluded from consideration by any other law, as cl. (10).

Subsec. (e). Pub. L. 97-98, §1307, inserted “, with respect to expenses other than expenses paid on behalf of the household by a third party,” after “entitled” in two places.

Pub. L. 97-35, §§104(a)(2), 105, 106, 115, 116(a)(1), completely revised and reorganized provisions to provide for computation of standard deduction of \$85 per month instead of standard deduction of \$60 per month and accompanying determinations respecting adjustments, applicability, etc., for computation.

Subsec. (f). Pub. L. 97-35, §107(a), completely revised and reorganized provisions to provide for calculation of household income through a prospective or retrospective basis instead of calculation of household income by the State agency, and accompanying determination respecting criteria, methodologies, etc., for calculation.

Subsec. (f)(2)(B). Pub. L. 97-35, §107(b), substituted provisions requiring calculation on a retrospective basis, for provisions requiring calculation on either a retrospective or prospective basis as elected by the State agency.

Subsec. (g). Pub. L. 97-98, §1309, inserted “(other than those relating to licensed vehicles)” after “June 1, 1977”.

Subsec. (i). Pub. L. 97-98, §1308, added subsec. (i).

1980—Subsec. (c). Pub. L. 96-249, §137, struck out provisions requiring that the income poverty guidelines for the period commencing July 1, 1978, be made as up to date as possible by multiplying the income poverty guidelines for 1977 by the change between the average 1977 Consumer Price Index and the Consumer Price Index for March 1978, utilizing the most current procedures which have been used by the Office of Management and Budget, and that the income poverty guidelines for future periods be similarly adjusted.

Subsec. (d). Pub. L. 96-249, §§102, 112, inserted in cl. (2) “subject to modification by the Secretary in light of subsection (f)(2) of this section,” after “quarter,” and added cl. (11), relating to energy assistance payments or allowances.

Pub. L. 96-223 added cl. (10) and redesignated former cl. (10), relating to income specifically excluded from consideration by any other law, as cl. (11).

Subsec. (e). Pub. L. 96-249, §§103, 136, substituted provisions requiring that the standard deduction be adjusted every Jan. 1 to the nearest \$5 to reflect changes in the Consumer Price Index for all urban consumers for items other than food for the last 12 months ending the preceding Sept. 30 for provisions requiring that the standard deduction be adjusted every July 1 and Jan. 1 and provisions requiring that the excess shelter expense deduction be adjusted every Jan. 1 to the nearest \$5 increment to reflect changes in the shelter, fuel, and utilities components of housing costs in the Consumer Price Index for all urban consumers for provisions requiring that the excess shelter expense deduction be adjusted annually as of July 1.

Pub. L. 96-249, §§104, 105, increased monthly maximum deduction per household for dependent care expenses related to employment, or employment related training or education from \$75 to \$90, decreased the threshold amount of the excess medical expense for the elderly, blind, and disabled from \$35 to \$25, and extended availability of the excess medical expense deduction to blind and disabled persons and their spouses in Puerto Rico, Guam, and the Virgin Islands, when they receive cash welfare payments through programs equivalent to the Social Security Income program. See Repeals note below.

Subsec. (f). Pub. L. 96-249, §107, inserted provisions giving States the option of determining program eligibility and benefits by using income received in a previous month, following standards prescribed by the Secretary.

Subsec. (g). Pub. L. 96-249, §§108, 138, substituted “\$1,500” for “\$1,750”, inserted “or that is necessary for transportation of a physically disabled household member” after “used to produce earned income”, and struck out “or to transport disabled household members” after “or continue employment”.

1979—Subsec. (e). Pub. L. 96-58 inserted provisions allowing for an excess medical expense deduction, a dependent care deduction, and an excess shelter expense deduction for elderly persons and persons receiving supplemental security income benefits or disability payments under the Social Security Act.

1977—Subsec. (a). Pub. L. 95-113 substituted reference to a more nutritious diet for reference to a nutritionally adequate diet, inserted provision that assistance under the program be furnished to all eligible households making application for participation, inserted reference to other financial resources held singly or in joint ownership, and struck out provisions excepting the limitation of the section in the case of disaster victims.

Subsec. (b). Pub. L. 95-113 inserted parenthetical reference to income standards for Alaska, Hawaii, Guam, Puerto Rico, and the Virgin Islands of the United States established pursuant to subsecs. (c) and (e) of this section, inserted provision that no State agency may impose standards for participation in the program additional to those meeting the eligibility standards established by the Secretary, and struck out provisions that had dealt with specific areas of income and financial resources for eligible households. See subsecs. (d) to (h).

Subsec. (c). Pub. L. 95-113 substituted provisions covering guidelines with regard to income standards for provisions covering employment of able-bodied adults in eligible households.

Subsec. (d). Pub. L. 95-113 substituted provisions specifying the specific items making up household income for provisions that required that the Secretary establish uniform national standards.

Subsecs. (e) to (h). Pub. L. 95-113 added subsecs. (e) to (h).

1973—Subsec. (b). Pub. L. 93-86, §3(g), (h), inserted provisos relating to payments in kind received from an employer by members of a household as bearing upon the promulgation of uniform national standards, provision limiting the authority of the Secretary to establish temporary emergency standards of eligibility to the duration of the emergency, and the provision authorizing such standards for households that are victims of a mechanical disaster disrupting the distribution of coupons.

Subsec. (c). Pub. L. 93-86, §3(e), inserted definition of “able-bodied adult person”.

Subsec. (d). Pub. L. 93-86, §3(d), added subsec. (d).
1971—Subsec. (a). Pub. L. 91-671 inserted introductory phrase “Except for the temporary participation of households that are victims of a disaster as provided in subsection (b) of this section” and provision respecting other financial resources as being a limitation factor and substituted “in permitting them to purchase” for “in the attainment of”.

Subsec. (b). Pub. L. 91-671 substituted provisions for establishment of uniform national standards of eligi-

bility for participation by households in the food stamp program and minimum criteria of eligibility, ineligibility of any household which includes a member claimed as a dependent child for Federal income tax purposes by a taxpayer who is not a member of an eligible household, temporary emergency standards of eligibility, and special standards of eligibility and coupon allotment schedules in Puerto Rico and the Virgin Islands, not exceeding standards of eligibility or coupon allotment schedules of the States for prior establishment of standards of eligibility by the State agency, including maximum income limitations and limitation on resources to be allowed eligible households, and approval of such standards by the Secretary.

Subsec. (c). Pub. L. 91-671 added subsec. (c).

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4108(b), May 13, 2002, 116 Stat. 309, provided that: "The amendments made by this section [amending this section] take effect on the date of enactment of this Act [May 13, 2002]."

Pub. L. 107-171, title IV, §4401(b)(3), May 13, 2002, 116 Stat. 333, provided that: "The amendments made by this subsection [amending this section and sections 1612, 1613, and 1631 of Title 8, Aliens and Nationality] take effect on October 1, 2003."

Amendment by sections 4101-4107 and 4112(b)(2) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-387, §1(a) [title VIII, §846(b)], Oct. 28, 2000, 114 Stat. 1549, 1549A-66, provided that:

"(1) Except as provided in paragraph (2), the amendment made by this section [amending this section] shall take effect on March 1, 2001.

"(2) The amendment made by this section shall not apply with respect to certification periods beginning before March 1, 2001."

Pub. L. 106-387, §1(a) [title VIII, §847(b)], Oct. 28, 2000, 114 Stat. 1549, 1549A-66, provided that:

"(1) Except as provided in paragraph (2), the amendments made by this section [amending this section] shall take effect on July 1, 2001.

"(2) The amendments made by this section shall not apply with respect to certification periods beginning before July 1, 2001."

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 101(f) [title VIII, §405(d)(2)(A)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, §405(f)(2)(A)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, §405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 109(a) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 13923 of Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

Amendment by section 13912(a), (b)(1) of Pub. L. 103-66 effective, and to be implemented beginning on,

July 1, 1994, see section 13971(b)(3) of Pub. L. 103-66, set out as a note under section 2025 of this title.

Amendment by sections 13911, 13913 to 13915, 13922(a), and 13924 of Pub. L. 103-66 effective, and to be implemented beginning on, Sept. 1, 1994, see section 13971(b)(4) of Pub. L. 103-66, set out as a note under section 2025 of this title.

Amendment by section 13921 of Pub. L. 103-66 effective, and to be implemented beginning on, Sept. 1, 1994, except that State agencies to implement such amendment not later than Oct. 1, 1995, see section 13971(b)(5) of Pub. L. 103-66, set out as a note under section 2025 of this title.

Amendment by section 13912(b)(2) of Pub. L. 103-66, effective, and to be implemented beginning on, Jan. 1, 1997, see section 13971(b)(6) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1992 AMENDMENTS

Amendment by Pub. L. 102-367 effective July 1, 1993, see section 701(a) of Pub. L. 102-367, formerly set out as a note under section 1501 of Title 29, Labor.

Section 1(b) of Pub. L. 102-265 provided that:

"(1) IN GENERAL.—The amendment made by subsection (a) [amending this section] shall take effect on the earlier of—

"(A) December 13, 1991;

"(B) October 1, 1990, for food stamp households for which the State agency knew, or had notice, that a member of the household had a plan for achieving self-support as provided under section 1612(b)(4)(A)(iii) of the Social Security Act (42 U.S.C. 1382a(b)(4)(A)(iii)); or

"(C) beginning on the date that a fair hearing was requested under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) contesting the denial of an exclusion for food stamp purposes for amounts necessary for the fulfillment of such a plan for achieving self-support.

"(2) LIMITATION ON APPLICATION OF SECTION.—Notwithstanding section 11(b) of the Food Stamp Act of 1977 (7 U.S.C. 2020(b)), no State agency shall be required to search its files for cases to which the amendment made by subsection (a) applies, except where the excludability of amounts described in section 5(d)(16) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(16)) was raised with the State agency prior to December 13, 1991."

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by sections 902, 903(1), (2), 904-906, and 941(2) of Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, and amendment by section 903(3) of Pub. L. 102-237 effective on the earlier of Dec. 13, 1991, Oct. 1, 1990, for certain food stamp households, or beginning on date of request for hearing where exclusion of certain amounts for food stamp purposes was denied, with limitation on application of amendment, see section 1101(d)(1), (2) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1714(1), 1715, 1717, 1719, 1720, and 1726(b)(2) of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, amendment by section 1714(2) of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after promulgation of implementing regulations to be promulgated not later than Oct. 1, 1991, in case of State general assistance program, and Apr. 1, 1992, in case of local general assistance program, amendment by sections 1716 and 1722 of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after promulgation of implementing regulations to be promulgated not later than Apr. 1, 1991, amendment by section 1718(a) of Pub. L. 101-624 effective Nov. 28, 1990, and amendment by section 1721 of Pub. L. 101-624 effective Oct. 1, 1990, see section 1781 of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by sections 201, 202(a), 403, and 404(f) of Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, amendment by sections 340 to 342 and 351 of Pub. L. 100-435 to be effective and implemented on July 1, 1989, amendment by section 343 of Pub. L. 100-435 to be effective and implemented on Sept. 19, 1988, and amendment by section 402 of Pub. L. 100-435 to be effective and implemented on Jan. 1, 1989, except that amendment by sections 201, 341, 342, 351, 402, 403, and 404(f) of Pub. L. 100-435 to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(a), (b)(1), (2), (4), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

Section 501(b) of Pub. L. 100-387 provided that:

“(1) The amendments made by this section [amending this section] shall take effect on the date of enactment of this Act [Aug. 11, 1988].

“(2) The amendments made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 [this chapter] to any household for any month beginning before the effective period of this section begins.”

Section 2(b) of Pub. L. 100-232 provided that:

“(1) EFFECTIVE DATE.—Except as provided in paragraph (2), the amendment made by this section [amending this section] shall become effective upon the date of enactment of this Act [Jan. 5, 1988].

“(2) APPLICATION OF AMENDMENT.—The amendment made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 [this chapter] to any household for any month beginning before the date of enactment of this Act.”

EFFECTIVE AND TERMINATION DATES OF 1987 AMENDMENT

Section 803(b) of Pub. L. 100-77 provided that: “The amendment made by this section [amending this section] shall become effective on July 1, 1988.”

Section 804(b) of Pub. L. 100-77 provided that: “The amendments made by this section [amending this section] shall become effective on October 1, 1987.”

Section 805(b) of Pub. L. 100-77 provided that:

“(1) The amendment made by this section [amending this section] shall become effective and shall be implemented 45 days after the date of enactment of this Act [July 22, 1987].

“(2) The amendment made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 [this chapter] to any household for any month beginning before the effective date of the amendment.”

Section 806(b) of Pub. L. 100-77 provided that:

“(1) The amendment made by this section [amending this section] shall become effective on October 1, 1987.

“(2) The amendment made by this section shall not apply with respect to an allotment issued under the Food Stamp Act of 1977 [this chapter] to a household for a certification period beginning before October 1, 1987.”

Section 807(b) of Pub. L. 100-77, as amended by Pub. L. 101-220, § 10, Dec. 12, 1989, 103 Stat. 1882, provided that:

“(1) The amendments made by this section [amending this section] shall be effective and shall be implemented for the period beginning 90 days after the date of enactment of this Act [July 22, 1987] and ending September 30, 1990.

“(2) The Secretary shall adjust the level of benefits provided to households under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) during the period between September 30, 1989 and the effective date of this paragraph [Dec. 12, 1989] to ensure that the level of such benefits is no less than the level determined in accordance with the provisions of section 5(k)(2)(F) of the Food Stamp Act of 1977 [7 U.S.C. 2014(k)(2)(F)].

“(3) The amendments made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 [this chapter] to any household for any month beginning before the effective period of this section begins.”

EFFECTIVE DATE OF 1986 AMENDMENT

Section 101(a) [title VI, §638(b)] of Pub. L. 99-500 and Pub. L. 99-591 provided that:

“(1) Except as provided in paragraphs (2) and (3), the amendment made by subsection (a) [amending this section] shall become effective 30 days after the date of enactment of this Act [Oct. 18, 1986].

“(2) Except as provided in paragraph (3), the amendment made by subsection (a) shall not apply to an allotment issued to any eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for any month beginning before the effective date of this subsection.

“(3) If a State elected before the date of enactment of this Act to compute household income in accordance with section 5(e) of the Food Stamp Act of 1977 (7 U.S.C. 2014(e)) (as amended by subsection (a)), the amendment made by subsection (a) shall become effective on May 1, 1986.”

EFFECTIVE DATE OF 1985 AMENDMENT

Sections 1511(2), (3) and 1514(1) of Pub. L. 99-198 provided that the amendments made by those sections are effective May 1, 1986.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENTS

Amendment by Pub. L. 97-35, except section 107(b) of Pub. L. 97-35 (which amended this section), effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title, see section 192(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title. See section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

Section 116(a) of Pub. L. 97-35 provided that the amendment made by that section is effective July 1, 1982.

Amendment by sections 104(a), 105, 106, 107(a), (c), and 115 of Pub. L. 97-35 effective and implemented upon such dates as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title.

Section 107(b) of Pub. L. 97-35 provided that the amendment made by that section is effective Oct. 1, 1983.

Section 2611 of Pub. L. 97-35 provided that the amendment made by that section is effective Oct. 1, 1981.

EFFECTIVE DATE OF 1980 AMENDMENT

Sections 104 to 106 of Pub. L. 96-249 provided that the amendments made by those sections are effective Oct. 1, 1981.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-58 to be implemented in all States by Jan. 1, 1980, but not to affect the rights or li-

abilities of Secretary, States, and applicant or participant households under provisions of this chapter as in effect on July 1, 1979, until implemented, see section 10(a) of Pub. L. 96-58, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendments made by that section are effective Oct. 1, 1977.

INAPPLICABILITY OF SUBSECTION (j) BETWEEN DECEMBER 23, 1985, AND SEPTEMBER 30, 1989

Section 1507(a)(2) of Pub. L. 99-198 provided that: "During the period beginning on the date of the enactment of this Act [Dec. 23, 1985] and ending on September 30, 1989, section 5(j) of the Food Stamp Act of 1977 (7 U.S.C. 2014(j)) shall not apply."

REPEALS

Sections 104 and 105 of Pub. L. 96-249, cited as a credit to this section, were repealed by Pub. L. 97-35, title I, §115, Aug. 13, 1981, 95 Stat. 364.

Section 313(c)(2) of Pub. L. 96-223, cited as a credit to this section, was repealed by Pub. L. 97-35, title XXVI, §2611, Aug. 13, 1981, 95 Stat. 902, effective Oct. 1, 1981.

CALCULATION OF HOUSEHOLD INCOME

Section 1718(b) of Pub. L. 101-624 provided that:

"(1) IN GENERAL.—Notwithstanding any other provision of law, during the period beginning October 1, 1988, and ending on the first day of the first month beginning at least 120 days after the date of enactment of this Act [Nov. 28, 1990], a State agency may elect to implement the amendment to section 5(f)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(f)(2)) made by section 202(a) of the Hunger Prevention Act of 1988 (Public Law 100-435; 102 Stat. 1656) (with respect to the requirement that income be calculated on a prospective basis in the case of households that are not required to report monthly on their income and household circumstances).

"(2) PAYMENT ERROR RATES.—Notwithstanding section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)), during the period referred to in paragraph (1), errors resulting solely from implementation by a State agency of the amendment referred to in paragraph (1) shall not be included in payment error rates determined under section 16(c) of such Act."

STUDY AND REPORT TO CONGRESSIONAL COMMITTEES ON IMPLEMENTATION OF AMENDMENT TO SUBSECTION (a) BY PUB. L. 99-198

Section 1507(c) of Pub. L. 99-198 provided that: "Not later than 2 years after the date of the enactment of this Act [Dec. 23, 1985], the Secretary shall—

"(1) evaluate the implementation of the second sentence of section 5(a) of the Food Stamp Act of 1977 [7 U.S.C. 2014(a)], as amended by subsection (a) of this section; and

"(2) submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives a report summarizing the results of such evaluation."

STUDY AND REPORT RESPECTING RESTRICTING BENEFITS OF FOOD STAMP PROGRAM BASED ON VALUE OF ASSETS OF PARTICIPANTS

Pub. L. 96-243, May 16, 1980, 94 Stat. 345, directed the Department of Agriculture to study the effects of regulations which would limit benefits to participants in the food stamp program based upon value of the participants' assets, to recommend an appropriate level of asset value which would deny or reduce benefits to a participant and analyze the impacts of such a restriction, to consider appropriate exemptions to this restriction, to analyze the administrative burden which this will impose upon the States, and to report to Con-

gress its findings in this matter not later than Jan. 15, 1981.

STUDY AND REPORT OF IMPACT AND ADVISABILITY OF COUNTING FOR INCOME ELIGIBILITY IN FOOD STAMP PROGRAM EDUCATIONAL LOANS, ETC. RECEIVED BY INDIVIDUAL OR HOUSEHOLD

Pub. L. 96-243, May 16, 1980, 94 Stat. 345, provided for the Secretary of Agriculture to study the impact and advisability of counting, for the purposes of income in determining eligibility: all educational loans on which payment is deferred; grants, fellowships, scholarships, and veteran's educational benefits used for the payment of tuition and mandatory fees at any educational institution of higher learning; and all housing subsidies including, but not limited to payments made by an outside party on behalf of an individual or household, and further provided for the Department of Agriculture to report to Congress its findings in this matter not later than Jan. 15, 1981.

§ 2015. Eligibility disqualifications

(a) Additional specific conditions rendering individuals ineligible

In addition to meeting the standards of eligibility prescribed in section 2014 of this title, households and individuals who are members of eligible households must also meet and comply with the specific requirements of this section to be eligible for participation in the food stamp program.

(b) Fraud and misrepresentation; disqualification penalties; ineligibility period; applicable procedures

(1) Any person who has been found by any State or Federal court or administrative agency to have intentionally (A) made a false or misleading statement, or misrepresented, concealed or withheld facts, or (B) committed any act that constitutes a violation of this chapter, the regulations issued thereunder, or any State statute, for the purpose of using, presenting, transferring, acquiring, receiving, or possessing coupons or authorization cards shall, immediately upon the rendering of such determination, become ineligible for further participation in the program—

(i) for a period of 1 year upon the first occasion of any such determination;

(ii) for a period of 2 years upon—

(I) the second occasion of any such determination; or

(II) the first occasion of a finding by a Federal, State, or local court of the trading of a controlled substance (as defined in section 802 of title 21) for coupons; and

(iii) permanently upon—

(I) the third occasion of any such determination;

(II) the second occasion of a finding by a Federal, State, or local court of the trading of a controlled substance (as defined in section 802 of title 21) for coupons;

(III) the first occasion of a finding by a Federal, State, or local court of the trading of firearms, ammunition, or explosives for coupons; or

(IV) a conviction of an offense under subsection (b) or (c) of section 2024 of this title involving an item covered by subsection (b) or (c) of section 2024 of this title having a value of \$500 or more.

During the period of such ineligibility, no household shall receive increased benefits under this chapter as the result of a member of such household having been disqualified under this subsection.

(2) Each State agency shall proceed against an individual alleged to have engaged in such activity either by way of administrative hearings, after notice and an opportunity for a hearing at the State level, or by referring such matters to appropriate authorities for civil or criminal action in a court of law.

(3) Such periods of ineligibility as are provided for in paragraph (1) of this subsection shall remain in effect, without possibility of administrative stay, unless and until the finding upon which the ineligibility is based is subsequently reversed by a court of appropriate jurisdiction, but in no event shall the period of ineligibility be subject to review.

(4) The Secretary shall prescribe such regulations as the Secretary may deem appropriate to ensure that information concerning any such determination with respect to a specific individual is forwarded to the Office of the Secretary by any appropriate State or Federal entity for the use of the Secretary in administering the provisions of this section. No State shall withhold such information from the Secretary or the Secretary's designee for any reason whatsoever.

(c) Refusal to provide necessary information

Except in a case in which a household is receiving transitional benefits during the transitional benefits period under section 2020(s) of this title, no household shall be eligible to participate in the food stamp program if it refuses to cooperate in providing information to the State agency that is necessary for making a determination of its eligibility or for completing any subsequent review of its eligibility.

(1)(A) A State agency may require certain categories of households to file periodic reports of income and household circumstances in accordance with standards prescribed by the Secretary, except that a State agency may not require periodic reporting by—

(i) migrant or seasonal farmworker households;

(ii) households in which all members are homeless individuals; or

(iii) households that have no earned income and in which all adult members are elderly or disabled.

(B) Each household that is not required to file such periodic reports shall be required to report or cause to be reported to the State agency changes in income or household circumstances that the Secretary considers necessary to assure accurate eligibility and benefit determinations.

(C) A State agency may require periodic reporting on a monthly basis by households residing on a reservation only if—

(i) the State agency reinstates benefits, without requiring a new application, for any household residing on a reservation that submits a report not later than 1 month after the end of the month in which benefits would otherwise be provided;

(ii) the State agency does not delay, reduce, suspend, or terminate the allotment of

a household that submits a report not later than 1 month after the end of the month in which the report is due;

(iii) on March 25, 1994, the State agency requires households residing on a reservation to file periodic reports on a monthly basis; and

(iv) the certification period for households residing on a reservation that are required to file periodic reports on a monthly basis is 2 years, unless the State demonstrates just cause to the Secretary for a shorter certification period.

(D) FREQUENCY OF REPORTING.—

(i) IN GENERAL.—Except as provided in subparagraphs (A) and (C), a State agency may require households that report on a periodic basis to submit reports—

(I) not less often than once each 6 months; but

(II) not more often than once each month.

(ii) REPORTING BY HOUSEHOLDS WITH EXCESS INCOME.—A household required to report less often than once each 3 months shall, notwithstanding subparagraph (B), report in a manner prescribed by the Secretary if the income of the household for any month exceeds the income standard of eligibility established under section 2014(c)(2) of this title.

(2) Any household required to file a periodic report under paragraph (1) of this subsection shall, (A) if it is eligible to participate and has filed a timely and complete report, receive its allotment, based on the reported information for a given month, within thirty days of the end of that month unless the Secretary determines that a longer period of time is necessary, (B) have available special procedures that permit the filing of the required information in the event all adult members of the household are mentally or physically handicapped or lacking in reading or writing skills to such a degree as to be unable to fill out the required forms, (C) have a reasonable period of time after the close of the month in which to file their reports on State agency designed forms, (D) be afforded prompt notice of failure to file any report timely or completely, and given a reasonable opportunity to cure that failure (with any applicable time requirements extended accordingly) and to exercise its rights under section 2020(e)(10) of this title, and (E) be provided each month (or other applicable period) with an appropriate, simple form for making the required reports of the household together with clear instructions explaining how to complete the form and the rights and responsibilities of the household under any periodic reporting system.

(3) Reports required to be filed under paragraph (1) of this subsection shall be considered complete if they contain the information relevant to eligibility and benefit determinations that is specified by the State agency. All report forms, including those related to periodic reports of circumstances, shall contain a description, in understandable terms in prominent and bold face lettering, of the appro-

appropriate civil and criminal provisions dealing with violations of this chapter including the prescribed penalties. Reports required to be filed monthly under paragraph (1) shall be the sole reporting requirement for subject matter included in such reports. In promulgating regulations implementing these reporting requirements, the Secretary shall consult with the Commissioner of Social Security and the Secretary of Health and Human Services, and, wherever feasible, households that receive assistance under title IV-A of the Social Security Act [42 U.S.C. 601 et seq.] and that are required to file comparable reports under that Act [42 U.S.C. 301 et seq.] shall be provided the opportunity to file reports at the same time for purposes of this chapter and the Social Security Act.

(4) Except as provided in paragraph (1)(C), any household that fails to submit periodic reports required by paragraph (1) shall not receive an allotment for the payment period to which the unsubmitted report applies until such report is submitted.

(5) The Secretary is authorized, upon the request of a State agency, to waive any provisions of this subsection (except the provisions of the first sentence of paragraph (1) which relate to households which are not required to file periodic reports) to the extent necessary to permit the State agency to establish periodic reporting requirements for purposes of this chapter which are similar to the periodic reporting requirements established under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in that State.

(d) Conditions of participation

(1) WORK REQUIREMENTS.—

(A) **IN GENERAL.**—No physically and mentally fit individual over the age of 15 and under the age of 60 shall be eligible to participate in the food stamp program if the individual—

(i) refuses, at the time of application and every 12 months thereafter, to register for employment in a manner prescribed by the Secretary;

(ii) refuses without good cause to participate in an employment and training program established under paragraph (4), to the extent required by the State agency;

(iii) refuses without good cause to accept an offer of employment, at a site or plant not subject to a strike or lockout at the time of the refusal, at a wage not less than the higher of—

(I) the applicable Federal or State minimum wage; or

(II) 80 percent of the wage that would have governed had the minimum hourly rate under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) been applicable to the offer of employment;

(iv) refuses without good cause to provide a State agency with sufficient information to allow the State agency to determine the employment status or the job availability of the individual;

(v) voluntarily and without good cause—

(I) quits a job; or

(II) reduces work effort and, after the reduction, the individual is working less than 30 hours per week; or

(vi) fails to comply with section 2029 of this title.

(B) **HOUSEHOLD INELIGIBILITY.**—If an individual who is the head of a household becomes ineligible to participate in the food stamp program under subparagraph (A), the household shall, at the option of the State agency, become ineligible to participate in the food stamp program for a period, determined by the State agency, that does not exceed the lesser of—

(i) the duration of the ineligibility of the individual determined under subparagraph (C); or

(ii) 180 days.

(C) DURATION OF INELIGIBILITY.—

(i) **FIRST VIOLATION.**—The first time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

(I) the date the individual becomes eligible under subparagraph (A);

(II) the date that is 1 month after the date the individual became ineligible; or

(III) a date determined by the State agency that is not later than 3 months after the date the individual became ineligible.

(ii) **SECOND VIOLATION.**—The second time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

(I) the date the individual becomes eligible under subparagraph (A);

(II) the date that is 3 months after the date the individual became ineligible; or

(III) a date determined by the State agency that is not later than 6 months after the date the individual became ineligible.

(iii) **THIRD OR SUBSEQUENT VIOLATION.**—The third or subsequent time that an individual becomes ineligible to participate in the food stamp program under subparagraph (A), the individual shall remain ineligible until the later of—

(I) the date the individual becomes eligible under subparagraph (A);

(II) the date that is 6 months after the date the individual became ineligible;

(III) a date determined by the State agency; or

(IV) at the option of the State agency, permanently.

(D) ADMINISTRATION.—

(i) **GOOD CAUSE.**—The Secretary shall determine the meaning of good cause for the purpose of this paragraph.

(ii) **VOLUNTARY QUIT.**—The Secretary shall determine the meaning of voluntarily quitting and reducing work effort for the purpose of this paragraph.

(iii) DETERMINATION BY STATE AGENCY.—

(I) IN GENERAL.—Subject to subclause (II) and clauses (i) and (ii), a State agency shall determine—

(aa) the meaning of any term used in subparagraph (A);

(bb) the procedures for determining whether an individual is in compliance with a requirement under subparagraph (A); and

(cc) whether an individual is in compliance with a requirement under subparagraph (A).

(II) NOT LESS RESTRICTIVE.—A State agency may not use a meaning, procedure, or determination under subclause (I) that is less restrictive on individuals receiving benefits under this chapter than a comparable meaning, procedure, or determination under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(iv) STRIKE AGAINST THE GOVERNMENT.—For the purpose of subparagraph (A)(v), an employee of the Federal Government, a State, or a political subdivision of a State, who is dismissed for participating in a strike against the Federal Government, the State, or the political subdivision of the State shall be considered to have voluntarily quit without good cause.

(v) SELECTING A HEAD OF HOUSEHOLD.—

(I) IN GENERAL.—For purposes of this paragraph, the State agency shall allow the household to select any adult parent of a child in the household as the head of the household if all adult household members making application under the food stamp program agree to the selection.

(II) TIME FOR MAKING DESIGNATION.—A household may designate the head of the household under subclause (I) each time the household is certified for participation in the food stamp program, but may not change the designation during a certification period unless there is a change in the composition of the household.

(vi) CHANGE IN HEAD OF HOUSEHOLD.—If the head of a household leaves the household during a period in which the household is ineligible to participate in the food stamp program under subparagraph (B)—

(I) the household shall, if otherwise eligible, become eligible to participate in the food stamp program; and

(II) if the head of the household becomes the head of another household, the household that becomes headed by the individual shall become ineligible to participate in the food stamp program for the remaining period of ineligibility.

(2) A person who otherwise would be required to comply with the requirements of paragraph (1) of this subsection shall be exempt from such requirements if he or she is (A) currently subject to and complying with a work registration requirement under title IV of the Social Security Act, as amended (42 U.S.C. 602), or the Federal-State unemployment compensation system,

in which case, failure by such person to comply with any work requirement to which such person is subject shall be the same as failure to comply with that requirement of paragraph (1); (B) a parent or other member of a household with responsibility for the care of a dependent child under age six or of an incapacitated person; (C) a bona fide student enrolled at least half time in any recognized school, training program, or institution of higher education (except that any such person enrolled in an institution of higher education shall be ineligible to participate in the food stamp program unless he or she meets the requirements of subsection (e) of this section); (D) a regular participant in a drug addiction or alcoholic treatment and rehabilitation program; (E) employed a minimum of thirty hours per week or receiving weekly earnings which equal the minimum hourly rate under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(a)(1)), multiplied by thirty hours; or (F) a person between the ages of sixteen and eighteen who is not a head of a household or who is attending school, or enrolled in an employment training program, on at least a half-time basis. A State that requested a waiver to lower the age specified in subparagraph (B) and had the waiver denied by the Secretary as of August 1, 1996, may, for a period of not more than 3 years, lower the age of a dependent child that qualifies a parent or other member of a household for an exemption under subparagraph (B) to between 1 and 6 years of age.

(3) Notwithstanding any other provision of law, a household shall not participate in the food stamp program at any time that any member of such household, not exempt from the work registration requirements of paragraph (1) of this subsection, is on strike as defined in section 142(2) of title 29, because of a labor dispute (other than a lockout) as defined in section 152(9) of title 29: *Provided*, That a household shall not lose its eligibility to participate in the food stamp program as a result of one of its members going on strike if the household was eligible for food stamps immediately prior to such strike, however, such household shall not receive an increased allotment as the result of a decrease in the income of the striking member or members of the household: *Provided further*, That such ineligibility shall not apply to any household that does not contain a member on strike, if any of its members refuses to accept employment at a plant or site because of a strike or lockout.

(4) EMPLOYMENT AND TRAINING.—

(A) IN GENERAL.—

(i) IMPLEMENTATION.—Each State agency shall implement an employment and training program designed by the State agency and approved by the Secretary for the purpose of assisting members of households participating in the food stamp program in gaining skills, training, work, or experience that will increase their ability to obtain regular employment.

(ii) STATEWIDE WORKFORCE DEVELOPMENT SYSTEM.—Each component of an employment and training program carried out under this paragraph shall be delivered through a statewide workforce development

system, unless the component is not available locally through such a system.

(B) For purposes of this chapter, an “employment and training program” means a program that contains one or more of the following components, except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application:

(i) Job search programs.

(ii) Job search training programs that include, to the extent determined appropriate by the State agency, reasonable job search training and support activities that may consist of jobs skills assessments, job finding clubs, training in techniques for employability, job placement services, or other direct training or support activities, including educational programs, determined by the State agency to expand the job search abilities or employability of those subject to the program.

(iii) Workfare programs operated under section 2029 of this title.

(iv) Programs designed to improve the employability of household members through actual work experience or training, or both, and to enable individuals employed or trained under such programs to move promptly into regular public or private employment. An employment or training experience program established under this clause shall—

(I) not provide any work that has the effect of replacing the employment of an individual not participating in the employment or training experience program; and

(II) provide the same benefits and working conditions that are provided at the job site to employees performing comparable work for comparable hours.

(v) Educational programs or activities to improve basic skills and literacy, or otherwise improve employability, including educational programs determined by the State agency to expand the job search abilities or employability of those subject to the program under this paragraph.

(vi) Programs designed to increase the self-sufficiency of recipients through self-employment, including programs that provide instruction for self-employment ventures.

(vii) As approved by the Secretary or the State under regulations issued by the Secretary, other employment, educational and training programs, projects, and experiments, such as a supported work program, aimed at accomplishing the purpose of the employment and training program.

(C) The State agency may provide that participation in an employment and training program may supplement or supplant other employment-related requirements imposed on those subject to the program.

(D)(i) Each State agency may exempt from any requirement for participation in any program under this paragraph categories of household members.

(ii) Each State agency may exempt from any requirement for participation individual household members not included in any category designated as exempt under clause (i).

(iii) Any exemption of a category or individual under this subparagraph shall be periodically evaluated to determine whether the exemption continues to be valid.

(E) Each State agency shall establish requirements for participation by individuals not exempt under subparagraph (D) in one or more employment and training programs under this paragraph, including the extent to which any individual is required to participate. Such requirements may vary among participants.

(F)(i) The total hours of work in an employment and training program carried out under this paragraph required of members of a household, together with the hours of work of such members in any program carried out under section 2029 of this title, in any month collectively may not exceed a number of hours equal to the household’s allotment for such month divided by the higher of the applicable State minimum wage or Federal minimum hourly rate under the Fair Labor Standards Act of 1938 [29 U.S.C. 206(a)(1)].

(ii) The total hours of participation in such program required of any member of a household, individually, in any month, together with any hours worked in another program carried out under section 2029 of this title and any hours worked for compensation (in cash or in kind) in any other capacity, shall not exceed one hundred and twenty hours per month.

(G) The State agency may operate any program component under this paragraph in which individuals elect to participate.

(H) Federal funds made available to a State agency for purposes of the component authorized under subparagraph (B)(v) shall not be used to supplant non-Federal funds used for existing services and activities that promote the purposes of this component.

(I)(i) The State agency shall provide payments or reimbursements to participants in programs carried out under this paragraph, including individuals participating under subparagraph (G), for—

(I) the actual costs of transportation and other actual costs (other than dependent care costs), that are reasonably necessary and directly related to participation in the program; and

(II) the actual costs of such dependent care expenses that are determined by the State agency to be necessary for the participation of an individual in the program (other than an individual who is the caretaker relative of a dependent in a family receiving benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in a local area where an employment, training, or education program under title IV of such Act [42 U.S.C. 601 et seq.] is in operation), except that no such payment or reimbursement shall exceed the applicable local market rate. Individuals subject to the program under this paragraph may not be required to participate if dependent costs exceed the

limit established by the State agency under this subclause or other actual costs exceed any limit established under subclause (I).

(ii) In lieu of providing reimbursements or payments for dependent care expenses under clause (i), a State agency may, at its option, arrange for dependent care through providers by the use of purchase of service contracts or vouchers or by providing vouchers to the household.

(iii) The value of any dependent care services provided for or arranged under clause (ii), or any amount received as a payment or reimbursement under clause (i), shall—

(I) not be treated as income for the purposes of any other Federal or federally assisted program that bases eligibility for, or the amount of benefits on, need; and

(II) not be claimed as an employment-related expense for the purposes of the credit provided under section 21 of title 26.

(J) The Secretary shall promulgate guidelines that (i) enable State agencies, to the maximum extent practicable, to design and operate an employment and training program that is compatible and consistent with similar programs operated within the State, and (ii) ensure, to the maximum extent practicable, that employment and training programs are provided for Indians on reservations.

(K) LIMITATION ON FUNDING.—Notwithstanding any other provision of this paragraph, the amount of funds a State agency uses to carry out this paragraph (including funds used to carry out subparagraph (I)) for participants who are receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall not exceed the amount of funds the State agency used in fiscal year 1995 to carry out this paragraph for participants who were receiving benefits in fiscal year 1995 under a State program funded under part A of title IV of the Act (42 U.S.C. 601 et seq.).

(L) The Secretary shall ensure that State agencies comply with the requirements of this paragraph and section 2020(e)(22)¹ of this title.

(M) The facilities of the State public employment offices and other State agencies and providers carrying out activities under title I of the Workforce Investment Act of 1998 [29 U.S.C. 2801 et seq.] may be used to find employment and training opportunities for household members under the programs under this paragraph.

(e) Students

No individual who is a member of a household otherwise eligible to participate in the food stamp program under this section shall be eligible to participate in the food stamp program as a member of that or any other household if the individual is enrolled at least half-time in an institution of higher education, unless the individual—

(1) is under age 18 or is age 50 or older;

(2) is not physically or mentally fit;

(3) is assigned to or placed in an institution of higher education through or in compliance with the requirements of—

(A) a program under title I of the Workforce Investment Act of 1998 [29 U.S.C. 2801 et seq.];

(B) an employment and training program under this section;

(C) a program under section 2296 of title 19; or

(D) another program for the purpose of employment and training operated by a State or local government, as determined to be appropriate by the Secretary;

(4) is employed a minimum of 20 hours per week or participating in a State or federally financed work study program during the regular school year;

(5) is—

(A) a parent with responsibility for the care of a dependent child under age 6; or

(B) a parent with responsibility for the care of a dependent child above the age of 5 and under the age of 12 for whom adequate child care is not available to enable the individual to attend class and satisfy the requirements of paragraph (4);

(6) is receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(7) is so enrolled as a result of participation in the work incentive program under title IV of the Social Security Act [42 U.S.C. 601 et seq.] or its successor programs; or

(8) is enrolled full-time in an institution of higher education, as determined by the institution, and is a single parent with responsibility for the care of a dependent child under age 12.

(f) Aliens

No individual who is a member of a household otherwise eligible to participate in the food stamp program under this section shall be eligible to participate in the food stamp program as a member of that or any other household unless he or she is (1) a resident of the United States and (2) either (A) a citizen or (B) an alien lawfully admitted for permanent residence as an immigrant as defined by sections 1101(a)(15) and 1101(a)(20) of title 8, excluding, among others, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country; or (C) an alien who entered the United States prior to June 30, 1948, or such subsequent date as is enacted by law, has continuously maintained his or her residence in the United States since then, and is not ineligible for citizenship, but who is deemed to be lawfully admitted for permanent residence as a result of an exercise of discretion by the Attorney General pursuant to section 1259 of title 8; or (D) an alien who has qualified for conditional entry pursuant to sections 1157 and 1158 of title 8; or (E) an alien who is lawfully present in the United States as a result of an exercise of discretion by the Attorney General for emergent reasons or reasons deemed strictly in the public interest pursuant to section 1182(d)(5) of title 8; or (F) an alien within the United States as to whom the Attorney General has withheld deportation pursuant to section 1231(b)(3) of title 8.

¹ See References in Text note below.

No aliens other than the ones specifically described in clauses (B) through (F) of this subsection shall be eligible to participate in the food stamp program as a member of any household. The income (less, at State option, a pro rata share) and financial resources of the individual rendered ineligible to participate in the food stamp program under this subsection shall be considered in determining the eligibility and the value of the allotment of the household of which such individual is a member.

(g) Residents of States which provide State supplementary payments

No individual who receives supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], State supplementary payments described in section 1616 of such Act [42 U.S.C. 1382e], or payments of the type referred to in section 212(a) of Public Law 93-66, as amended, shall be considered to be a member of a household for any month, if, for such month, such individual resides in a State which provides State supplementary payments (1) of the type described in section 1616(a) of the Social Security Act [42 U.S.C. 1382e(a)] and section 212(a) of Public Law 93-66, and (2) the level of which has been found by the Commissioner of Social Security to have been specifically increased so as to include the bonus value of food stamps.

(h) Transfer of assets to qualify

No household that knowingly transfers assets for the purpose of qualifying or attempting to qualify for the food stamp program shall be eligible to participate in the program for a period of up to one year from the date of discovery of the transfer.

(i) Comparable treatment for disqualification

(1) In general

If a disqualification is imposed on a member of a household for a failure of the member to perform an action required under a Federal, State, or local law relating to a means-tested public assistance program, the State agency may impose the same disqualification on the member of the household under the food stamp program.

(2) Rules and procedures

If a disqualification is imposed under paragraph (1) for a failure of an individual to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to impose the same disqualification under the food stamp program.

(3) Application after disqualification period

A member of a household disqualified under paragraph (1) may, after the disqualification period has expired, apply for benefits under this chapter and shall be treated as a new applicant, except that a prior disqualification under subsection (d) of this section shall be considered in determining eligibility.

(j) Disqualification for receipt of multiple food stamp benefits

An individual shall be ineligible to participate in the food stamp program as a member of any

household for a 10-year period if the individual is found by a State agency to have made, or is convicted in a Federal or State court of having made, a fraudulent statement or representation with respect to the identity or place of residence of the individual in order to receive multiple benefits simultaneously under the food stamp program.

(k) Disqualification of fleeing felons

No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is—

(1) fleeing to avoid prosecution, or custody or confinement after conviction, under the law of the place from which the individual is fleeing, for a crime, or attempt to commit a crime, that is a felony under the law of the place from which the individual is fleeing or that, in the case of New Jersey, is a high misdemeanor under the law of New Jersey; or

(2) violating a condition of probation or parole imposed under a Federal or State law.

(l) Custodial parent's cooperation with child support agencies

(1) In general

At the option of a State agency, subject to paragraphs (2) and (3), no natural or adoptive parent or other individual (collectively referred to in this subsection as "the individual") who is living with and exercising parental control over a child under the age of 18 who has an absent parent shall be eligible to participate in the food stamp program unless the individual cooperates with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

(A) in establishing the paternity of the child (if the child is born out of wedlock); and

(B) in obtaining support for—

(i) the child; or

(ii) the individual and the child.

(2) Good cause for noncooperation

Paragraph (1) shall not apply to the individual if good cause is found for refusing to cooperate, as determined by the State agency in accordance with standards prescribed by the Secretary in consultation with the Secretary of Health and Human Services. The standards shall take into consideration circumstances under which cooperation may be against the best interests of the child.

(3) Fees

Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

(m) Noncustodial parent's cooperation with child support agencies

(1) In general

At the option of a State agency, subject to paragraphs (2) and (3), a putative or identified noncustodial parent of a child under the age of 18 (referred to in this subsection as "the indi-

vidual”) shall not be eligible to participate in the food stamp program if the individual refuses to cooperate with the State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.)—

(A) in establishing the paternity of the child (if the child is born out of wedlock); and

(B) in providing support for the child.

(2) Refusal to cooperate

(A) Guidelines

The Secretary, in consultation with the Secretary of Health and Human Services, shall develop guidelines on what constitutes a refusal to cooperate under paragraph (1).

(B) Procedures

The State agency shall develop procedures, using guidelines developed under subparagraph (A), for determining whether an individual is refusing to cooperate under paragraph (1).

(3) Fees

Paragraph (1) shall not require the payment of a fee or other cost for services provided under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.).

(4) Privacy

The State agency shall provide safeguards to restrict the use of information collected by a State agency administering the program established under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to purposes for which the information is collected.

(n) Disqualification for child support arrears

(1) In general

At the option of a State agency, no individual shall be eligible to participate in the food stamp program as a member of any household during any month that the individual is delinquent in any payment due under a court order for the support of a child of the individual.

(2) Exceptions

Paragraph (1) shall not apply if—

(A) a court is allowing the individual to delay payment; or

(B) the individual is complying with a payment plan approved by a court or the State agency designated under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to provide support for the child of the individual.

(o) Work requirement

(1) “Work program” defined

In this subsection, the term “work program” means—

(A) a program under the² title I of the Workforce Investment Act of 1998 [29 U.S.C. 2801 et seq.];

(B) a program under section 2296 of title 19; and

(C) a program of employment and training operated or supervised by a State or political

subdivision of a State that meets standards approved by the Governor of the State, including a program under subsection (d)(4) of this section, other than a job search program or a job search training program.

(2) Work requirement

Subject to the other provisions of this subsection, no individual shall be eligible to participate in the food stamp program as a member of any household if, during the preceding 36-month period, the individual received food stamp benefits for not less than 3 months (consecutive or otherwise) during which the individual did not—

(A) work 20 hours or more per week, averaged monthly;

(B) participate in and comply with the requirements of a work program for 20 hours or more per week, as determined by the State agency;

(C) participate in and comply with the requirements of a program under section 2029 of this title or a comparable program established by a State or political subdivision of a State; or

(D) receive benefits pursuant to paragraph (3), (4), (5), or (6).

(3) Exception

Paragraph (2) shall not apply to an individual if the individual is—

(A) under 18 or over 50 years of age;

(B) medically certified as physically or mentally unfit for employment;

(C) a parent or other member of a household with responsibility for a dependent child;

(D) otherwise exempt under subsection (d)(2) of this section; or

(E) a pregnant woman.

(4) Waiver

(A) In general

On the request of a State agency, the Secretary may waive the applicability of paragraph (2) to any group of individuals in the State if the Secretary makes a determination that the area in which the individuals reside—

(i) has an unemployment rate of over 10 percent; or

(ii) does not have a sufficient number of jobs to provide employment for the individuals.

(B) Report

The Secretary shall report the basis for a waiver under subparagraph (A) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(5) Subsequent eligibility

(A) Regaining eligibility

An individual denied eligibility under paragraph (2) shall regain eligibility to participate in the food stamp program if, during a 30-day period, the individual—

(i) works 80 or more hours;

(ii) participates in and complies with the requirements of a work program for 80 or

² So in original. The word “the” probably should not appear.

more hours, as determined by a State agency; or

(iii) participates in and complies with the requirements of a program under section 2029 of this title or a comparable program established by a State or political subdivision of a State.

(B) Maintaining eligibility

An individual who regains eligibility under subparagraph (A) shall remain eligible as long as the individual meets the requirements of subparagraph (A), (B), or (C) of paragraph (2).

(C) Loss of employment

(i) In general

An individual who regained eligibility under subparagraph (A) and who no longer meets the requirements of subparagraph (A), (B), or (C) of paragraph (2) shall remain eligible for a consecutive 3-month period, beginning on the date the individual first notifies the State agency that the individual no longer meets the requirements of subparagraph (A), (B), or (C) of paragraph (2).

(ii) Limitation

An individual shall not receive any benefits pursuant to clause (i) for more than a single 3-month period in any 36-month period.

(6) 15-percent exemption

(A) Definitions

In this paragraph:

(i) Caseload

The term “caseload” means the average monthly number of individuals receiving food stamps during the 12-month period ending the preceding June 30.

(ii) Covered individual

The term “covered individual” means a food stamp recipient, or an individual denied eligibility for food stamp benefits solely due to paragraph (2), who—

(I) is not eligible for an exception under paragraph (3);

(II) does not reside in an area covered by a waiver granted under paragraph (4);

(III) is not complying with subparagraph (A), (B), or (C) of paragraph (2);

(IV) is not receiving food stamp benefits during the 3 months of eligibility provided under paragraph (2); and

(V) is not receiving food stamp benefits under paragraph (5).

(B) General rule

Subject to subparagraphs (C) through (G), a State agency may provide an exemption from the requirements of paragraph (2) for covered individuals.

(C) Fiscal year 1998

Subject to subparagraphs (E) and (G), for fiscal year 1998, a State agency may provide a number of exemptions such that the average monthly number of the exemptions in effect during the fiscal year does not exceed 15

percent of the number of covered individuals in the State in fiscal year 1998, as estimated by the Secretary, based on the survey conducted to carry out section 2025(c) of this title for fiscal year 1996 and such other factors as the Secretary considers appropriate due to the timing and limitations of the survey.

(D) Subsequent fiscal years

Subject to subparagraphs (E) through (G), for fiscal year 1999 and each subsequent fiscal year, a State agency may provide a number of exemptions such that the average monthly number of the exemptions in effect during the fiscal year does not exceed 15 percent of the number of covered individuals in the State, as estimated by the Secretary under subparagraph (C), adjusted by the Secretary to reflect changes in the State’s caseload and the Secretary’s estimate of changes in the proportion of food stamp recipients covered by waivers granted under paragraph (4).

(E) Caseload adjustments

The Secretary shall adjust the number of individuals estimated for a State under subparagraph (C) or (D) during a fiscal year if the number of food stamp recipients in the State varies from the State’s caseload by more than 10 percent, as determined by the Secretary.

(F) Exemption adjustments

During fiscal year 1999 and each subsequent fiscal year, the Secretary shall increase or decrease the number of individuals who may be granted an exemption by a State agency under this paragraph to the extent that the average monthly number of exemptions in effect in the State for the preceding fiscal year under this paragraph is lesser or greater than the average monthly number of exemptions estimated for the State agency for such preceding fiscal year under this paragraph.

(G) Reporting requirement

A State agency shall submit such reports to the Secretary as the Secretary determines are necessary to ensure compliance with this paragraph.

(7) Other program rules

Nothing in this subsection shall make an individual eligible for benefits under this chapter if the individual is not otherwise eligible for benefits under the other provisions of this chapter.

(Pub. L. 88-525, §6, Aug. 31, 1964, 78 Stat. 704; Pub. L. 94-339, §3, July 5, 1976, 90 Stat. 800; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 964; Pub. L. 96-58, §§5, 9, Aug. 14, 1979, 93 Stat. 391, 392; Pub. L. 96-249, title I, §§109, 110, 114, 115, 139, 140, May 26, 1980, 94 Stat. 359, 361, 370; Pub. L. 97-35, title I, §§108(b), (c), 109, 112, Aug. 13, 1981, 95 Stat. 361, 362; Pub. L. 97-98, title XIII, §§1310, 1311, Dec. 22, 1981, 95 Stat. 1284, 1285; Pub. L. 97-253, title I, §§145(e), 154-161, 189(b)(1), 190(a), (b), Sept. 8, 1982, 96 Stat. 774, 777, 778, 787; Pub. L. 98-204, §§5, 6, Dec. 2, 1983, 97 Stat. 1385, 1386;

Pub. L. 99-198, title XV, §§1513(b), 1516, 1517(a), Dec. 23, 1985, 99 Stat. 1571-1573; Pub. L. 100-435, title II, §202(b), (c), title IV, §404(a)-(d), Sept. 19, 1988, 102 Stat. 1656, 1665-1667; Pub. L. 101-624, title XVII, §§1723-1726(b)(1), (c), (d), 1727, Nov. 28, 1990, 104 Stat. 3786-3788; Pub. L. 102-237, title IX, §§907, 941(3), Dec. 13, 1991, 105 Stat. 1885, 1892; Pub. L. 103-66, title XIII, §§13922(b), 13942, Aug. 10, 1993, 107 Stat. 675, 677; Pub. L. 103-225, title I, §§101(a), 104(b), Mar. 25, 1994, 108 Stat. 106, 107; Pub. L. 103-296, title I, §108(f)(1), (2), Aug. 15, 1994, 108 Stat. 1486, 1487; Pub. L. 104-193, title I, §109(b), title VIII, §§813-815(a), 816, 817(a), 818, 819(a), (c), 820-824(a), Aug. 22, 1996, 110 Stat. 2169, 2314, 2315, 2318, 2320-2323; Pub. L. 104-208, div. C, title III, §308(g)(7)(D)(i), Sept. 30, 1996, 110 Stat. 3009-624; Pub. L. 105-33, title I, §1001, Aug. 5, 1997, 111 Stat. 251; Pub. L. 105-277, div. A, §101(f) [title VIII, §405(d)(2)(B), (f)(2)(B)], Oct. 21, 1998, 112 Stat. 2681-337, 2681-418, 2681-429; Pub. L. 107-171, title IV, §§4109, 4115(b)(2), 4121(c), May 13, 2002, 116 Stat. 309, 315, 324.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (c)(3), (5), (d)(1)(D)(iii)(II), (2), (4)(I)(i)(II), (K), (e)(6), (7), (g), (i)(2), (l)(1), (3), (m), and (n)(2)(B), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (§301 et seq.) of Title 42, The Public Health and Welfare. Part D of title IV of the Act is classified generally to part D (§651 et seq.) of subchapter IV of chapter 7 of Title 42. Title IV-A of the Act (part A of title IV) is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42. Titles IV and XVI of the Social Security Act are classified generally to subchapters IV (§601 et seq.) and XVI (§1381 et seq.), respectively, of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Fair Labor Standards Act of 1938, as amended, referred to in subsec. (d)(2), (4)(F)(i), is act June 25, 1938, ch. 676, 52 Stat. 1060, as amended, which is classified generally to chapter 8 (§201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

Section 2020(e)(22) of this title, referred to in subsec. (d)(4)(L), was redesignated section 2020(e)(21) of this title by Pub. L. 104-193, title VIII, §835(1)(D)(i), Aug. 22, 1996, 110 Stat. 2330.

The Workforce Investment Act of 1998, referred to in subsecs. (d)(4)(M), (e)(3)(A), and (o)(1)(A), is Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 936, as amended. Title I of the Act is classified principally to chapter 30 (§2801 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 9201 of Title 20, Education, and Tables.

Section 212(a) of Pub. L. 93-66, referred to in subsec. (g), is Pub. L. 93-66, title II, §212(a), July 9, 1973, 87 Stat. 155, which is set out as a note under section 1382 of Title 42, The Public Health and Welfare.

AMENDMENTS

2002—Subsec. (c). Pub. L. 107-171, §4115(b)(2), substituted “Except in a case in which a household is receiving transitional benefits during the transitional benefits period under section 2020(s) of this title, no household” for “No household” in introductory provisions.

Subsec. (c)(1)(B). Pub. L. 107-171, §4109(1), struck out “on a monthly basis” after “periodic reports”.

Subsec. (c)(1)(D). Pub. L. 107-171, §4109(2), added subpar. (D).

Subsec. (d)(4)(i)(I). Pub. L. 107-171, §4121(c), struck out “, except that the State agency may limit such reimbursement to each participant to \$25 per month” before semicolon.

1998—Subsec. (d)(4)(M). Pub. L. 105-277, §101(f) [title VIII, §405(f)(2)(B)(i)], struck out “the State public em-

ployment offices and agencies operating programs under the Job Training Partnership Act or of” after “The facilities of”.

Pub. L. 105-277, §101(f) [title VIII, §405(d)(2)(B)(i)], substituted “the State public employment offices and agencies operating programs under the Job Training Partnership Act or of the State public employment offices and other State agencies and providers carrying out activities under title I of the Workforce Investment Act of 1998” for “the State public employment offices and agencies operating programs under the Job Training Partnership Act”.

Subsec. (e)(3)(A). Pub. L. 105-277, §101(f) [title VIII, §405(f)(2)(B)(ii)], added subpar. (A) and struck out former subpar. (A) which read as follows: “a program under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998”.

Pub. L. 105-277, §101(f) [title VIII, §405(d)(2)(B)(ii)], added subpar. (A) and struck out former subpar. (A) which read as follows: “a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.)”.

Subsec. (o)(1)(A). Pub. L. 105-277, §101(f) [title VIII, §405(f)(2)(B)(iii)], struck out “Job Training Partnership Act or” before “title I”.

Pub. L. 105-277, §101(f) [title VIII, §405(d)(2)(B)(iii)], substituted “Job Training Partnership Act or title I of the Workforce Investment Act of 1998” for “Job Training Partnership Act (29 U.S.C. 1501 et seq.)”.

1997—Subsec. (o)(2)(D). Pub. L. 105-33, §1001(1), substituted “(5), or (6)” for “or (5)”.

Subsec. (o)(6), (7). Pub. L. 105-33, §1001(2), (3), added par. (6) and redesignated former par. (6) as (7).

1996—Subsec. (b)(1)(i). Pub. L. 104-193, §813(1), substituted “1 year” for “six months”.

Subsec. (b)(1)(ii). Pub. L. 104-193, §813(2), substituted “2 years” for “1 year”.

Subsec. (b)(1)(iii)(IV). Pub. L. 104-193, §814, added subcl. (IV).

Subsec. (c)(5). Pub. L. 104-193, §109(b)(1), substituted “the State program funded” for “the State plan approved”.

Subsec. (d). Pub. L. 104-193, §815(a), inserted subsec. heading.

Subsec. (d)(1). Pub. L. 104-193, §815(a), added par. (1) and struck out former par. (1) which related to ineligibility in case of refusal of person or head of household to register for or accept employment.

Subsec. (d)(2). Pub. L. 104-193, §§816, 819(c), struck out “that is comparable to a requirement of paragraph (1)” after “person is subject” in cl. (A) and inserted at end “A State that requested a waiver to lower the age specified in subparagraph (B) and had the waiver denied by the Secretary as of August 1, 1996, may, for a period of not more than 3 years, lower the age of a dependent child that qualifies a parent or other member of a household for an exemption under subparagraph (B) to between 1 and 6 years of age.”

Subsec. (d)(4). Pub. L. 104-193, §817(a)(1), inserted par. heading.

Subsec. (d)(4)(A). Pub. L. 104-193, §817(a)(1), (2), inserted subpar. heading, designated existing provisions as cl. (i), inserted heading, substituted “Each State” for “Not later than April 1, 1987, each State”, inserted “work,” after “skills, training,” and added cl. (ii).

Subsec. (d)(4)(B). Pub. L. 104-193, §817(a)(3), in introductory provisions, inserted before colon “, except that the State agency shall retain the option to apply employment requirements prescribed under this subparagraph to a program applicant at the time of application”, in cl. (i), struck out “with terms and conditions comparable to those prescribed in subparagraphs (A) and (B) of section 402(a)(35) of part A of title IV of the Social Security Act, except that the State agency shall retain the option to apply employment requirements prescribed under this clause to program applicants at the time of application” after “search programs”, and in cl. (iv), redesignated subcls. (III) and (IV) as (I) and (II), respectively, and struck out former subcls. (I) and (II) which read as follows:

“(I) limit employment experience assignments to projects that serve a useful public purpose in fields

such as health, social services, environmental protection, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and day care;

“(II) to the extent possible, use the prior training, experience, and skills of the participating member in making appropriate employment or training experience assignments;”.

Subsec. (d)(4)(D). Pub. L. 104-193, §817(a)(4), in cl. (i), struck out “to which the application of such participation requirement is impracticable as applied to such categories due to factors such as the availability of work opportunities and the cost-effectiveness of the employment requirements. In making such a determination, the State agency may designate a category consisting of all such household members residing in a specific area of the State. Each State may exempt, with the approval of the Secretary, members of households that have participated in the food stamp program 30 days or less” after “household members”, in cl. (ii), struck out “but with respect to whom such participation is impracticable because of personal circumstances such as lack of job readiness and employability, the remote location of work opportunities, and unavailability of child care” after “clause (i)”, and in cl. (iii), substituted “the exemption continues to be valid” for “, on the basis of the factors used to make a determination under clause (i) or (ii), the exemption continues to be valid. Such evaluations shall occur no less often than at each certification or recertification in the case of exemptions under clause (ii)”.

Subsec. (d)(4)(E). Pub. L. 104-193, §817(a)(5), struck out at end “Through September 30, 1995, two States may, on application to and after approval by the Secretary, give priority in the provision of services to voluntary participants (including both exempt and non-exempt participants), except that this sentence shall not excuse a State from compliance with the performance standards issued under subparagraphs (K) and (L), and the Secretary may, at the Secretary’s discretion, approve additional States’ requests to give such priority if the Secretary reports to Congress on the number and characteristics of voluntary participants given priority under this sentence and such other information as the Secretary determines to be appropriate.”

Subsec. (d)(4)(G). Pub. L. 104-193, §817(a)(6), struck out “(i)” after “(G)” and struck out cl. (ii) which read as follows: “The State agency shall permit, to the extent it determines practicable, individuals not subject to requirements imposed under subparagraph (E) or who have complied, or are in the process of complying, with such requirements to participate in any program under this paragraph.”

Subsec. (d)(4)(H). Pub. L. 104-193, §817(a)(7), struck out “(ii)” before “Federal funds” and struck out cl. (i) which read as follows: “The Secretary shall issue regulations under which each State agency shall establish a conciliation procedure for the resolution of disputes involving the participation of an individual in the program.”

Subsec. (d)(4)(I)(i)(II). Pub. L. 104-193, §817(a)(8), substituted “), except that no such payment or reimbursement shall exceed the applicable local market rate” for “, or was in operation, on September 19, 1988) up to any limit set by the State agency (which limit shall not be less than the limit for the dependent care deduction under section 2014(e) of this title), but in no event shall such payment or reimbursements exceed the applicable local market rate as determined by procedures consistent with any such determination under the Social Security Act”.

Subsec. (d)(4)(K). Pub. L. 104-193, §817(a)(9)(A), added subpar. (K) and struck out former subpar. (K) which authorized establishment of performance standards for each State that, in case of persons who were subject to employment requirements under this section and who were not exempt under subpar. (D), designated minimum percentages (not to exceed 10 percent in fiscal years 1992 and 1993, and 15 percent in fiscal years 1994 and 1995) of such persons that State agencies were to place in employment and training programs.

Subsec. (d)(4)(L). Pub. L. 104-193, §817(a)(10), struck out “(i)” before “The Secretary” and struck out cl. (ii) which read as follows: “If the Secretary determines that a State agency has failed, without good cause, to comply with such a requirement, including any failure to meet a performance standard under subparagraph (J), the Secretary may withhold from such State, in accordance with section 2025(a), (c), and (h) of this title, such funds as the Secretary determines to be appropriate, subject to administrative and judicial review under section 2023 of this title.”

Pub. L. 104-193, §817(a)(9), redesignated subpar. (M) as (L) and struck out former subpar. (L) which authorized Secretary to establish performance standards and measures applicable to employment and training programs that were based on employment outcomes, including increases in earnings.

Subsec. (d)(4)(M), (N). Pub. L. 104-193, §817(a)(9)(B), redesignated subpars. (M) and (N) as (L) and (M), respectively.

Subsec. (e)(6). Pub. L. 104-193, §109(b)(2), substituted “benefits under a State program funded” for “aid to families with dependent children”.

Subsec. (f). Pub. L. 104-193, §818, in last sentence, inserted “, at State option,” after “(less”.

Subsec. (f)(2)(F). Pub. L. 104-208 substituted “1231(b)(3)” for “1253(h)”.

Subsec. (i). Pub. L. 104-193, §819(a), added subsec. (i).

Subsec. (j). Pub. L. 104-193, §820, added subsec. (j).

Subsec. (k). Pub. L. 104-193, §821, added subsec. (k).

Subsecs. (l), (m). Pub. L. 104-193, §822, added subsecs. (l) and (m).

Subsec. (n). Pub. L. 104-193, §823, added subsec. (n).

Subsec. (o). Pub. L. 104-193, §824(a), added subsec. (o).

1994—Subsec. (c)(1)(A)(ii) to (iv). Pub. L. 103-225, §101(a)(1), redesignated cls. (iii) and (iv) as (ii) and (iii), respectively, and struck out former cl. (ii) which read “households residing on a reservation;”.

Subsec. (c)(1)(C). Pub. L. 103-225, §101(a)(2), added subpar. (C).

Subsec. (c)(3). Pub. L. 103-296, §108(f)(1), inserted “the Commissioner of Social Security and” before “the Secretary of Health and Human Services”.

Subsec. (c)(4). Pub. L. 103-225, §104(b), substituted “Except as provided in paragraph (1)(C), any” for “Any”.

Subsec. (g). Pub. L. 103-296, §108(f)(2), substituted “Commissioner of Social Security” for “Secretary of Health and Human Services”.

1993—Subsec. (b)(1)(ii), (iii). Pub. L. 103-66, §13942, added cls. (ii) and (iii) and struck out former cls. (ii) and (iii) which read as follows:

“(ii) for a period of one year upon the second occasion of any such determination; and

“(iii) permanently upon the third occasion of any such determination.”

Subsec. (d)(4)(I)(i)(II). Pub. L. 103-66, §13922(b), amended subcl. (II) generally. Prior to amendment, subcl. (II) read as follows: “the actual costs of such dependent care expenses that are determined by the State agency to be necessary for the participation of an individual in the program (other than an individual who is the caretaker relative of a dependent in a family receiving benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in a local area where an employment, training, or education program under title IV of such Act is in operation or was in operation, on September 19, 1988), but in no event shall such payment or reimbursements exceed \$160 per dependent per month. Individuals subject to the program under this paragraph may not be required to participate if dependent care costs exceed \$160 per dependent per month.”

1991—Subsec. (c)(1)(A)(i). Pub. L. 102-237, §941(3)(A), realigned margin.

Subsec. (d)(1)(A). Pub. L. 102-237, §941(3)(B), substituted “who is a physically” for “who is physically”, “Secretary; (ii) refuses” for “Secretary; (ii) refuses” requiring no change in text, and “two months; or (iii) refuses” for “two months; (iii) refuses”.

Subsec. (d)(4)(B)(vii). Pub. L. 102-237, §941(3)(C), substituted “Secretary,” for “Secretary,,” and “aimed at” for “aimed an”.

Subsec. (d)(4)(D)(iii). Pub. L. 102-237, §941(3)(D), substituted "clause (i) or (ii)" for "clauses (i) or (ii)".

Subsec. (d)(4)(I)(i)(II). Pub. L. 102-237, §941(3)(E), substituted "601 et seq." for "601 et seq.)" and ")", but in" for " , but in".

Subsec. (d)(4)(K)(i). Pub. L. 102-237, §907(b), substituted "10 percent in fiscal years 1992 and 1993, and 15 percent in fiscal years 1994 and 1995" for "50 percent through September 30, 1989" and inserted at end "The Secretary shall not require the plan of a State agency to provide for the participation of a number of recipients greater than 10 percent in fiscal years 1992 and 1993, and 15 percent in fiscal years 1994 and 1995, of the persons who are subject to employment requirements under this section and who are not exempt under subparagraph (D)."

Subsec. (d)(4)(L). Pub. L. 102-237, §907(a), amended subpar. (L) generally, substituting present provisions for provisions requiring establishment of performance standards by the Secretary, after consultation with the Office of Technology Assessment, Secretary of Labor, Secretary of Health and Human Services, and appropriate designated State officials, which standards were to be coordinated with the corresponding standards under the Job Training Partnership Act and the performance standards under title IV of the Social Security Act, which were to permit variations to take into account differing conditions in different States, and which were to be published and implemented not later than Oct. 1, 1991, and directing the Office of Technology Assessment, not later than 180 days after the Secretary publishes proposed measures for performance standards, to develop model performance standards, compare these standards with the Secretary, and report the result of such comparison to the Speaker of the House of Representatives, President pro tempore of the Senate, and Secretary of Agriculture.

1990—Subsec. (c)(1)(A)(ii) to (iv). Pub. L. 101-624, §1723, added cl. (ii) and redesignated former cls. (ii) and (iii) as (iii) and (iv), respectively.

Subsec. (c)(2)(C). Pub. L. 101-624, §1724(1), substituted "State agency designed forms" for "forms approved by the Secretary".

Subsec. (c)(3). Pub. L. 101-624, §1724(2), substituted "they contain the information relevant to eligibility and benefit determinations that is specified by the State agency" for " , in accordance with standards prescribed by the Secretary, they contain sufficient information to enable the State agency to determine household eligibility and allotment levels".

Subsec. (d)(1). Pub. L. 101-624, §1725, inserted after first sentence "The State agency shall allow the household to select an adult parent of children in the household as its head where all adult household members making application agree to the selection. The household may designate its head of household under this paragraph each time the household is certified for participation in the food stamp program, but may not change the designation during a certification period unless there is a change in the composition of the household."

Subsec. (d)(4)(B)(v). Pub. L. 101-624, §1726(a), inserted "and literacy," after "basic skills".

Subsec. (d)(4)(B)(vi), (vii). Pub. L. 101-624, §1726(b)(1), added cl. (vi) and redesignated former cl. (vi) as (vii).

Subsec. (d)(4)(E). Pub. L. 101-624, §1726(c), inserted at end "Through September 30, 1995, two States may, on application to and after approval by the Secretary, give priority in the provision of services to voluntary participants (including both exempt and non-exempt participants), except that this sentence shall not excuse a State from compliance with the performance standards issued under subparagraphs (K) and (L), and the Secretary may, at the Secretary's discretion, approve additional States' requests to give such priority if the Secretary reports to Congress on the number and characteristics of voluntary participants given priority under this sentence and such other information as the Secretary determines to be appropriate."

Subsec. (d)(4)(L)(iii). Pub. L. 101-624, §1726(d), substituted "October" for "April".

Subsec. (e). Pub. L. 101-624, §1727, amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: "No individual who is a member of a household otherwise eligible to participate in the food stamp program under this section shall be eligible to participate in the food stamp program as a member of that or any other household if he or she (1) is physically and mentally fit and is between the ages of eighteen and sixty, (2) is enrolled at least half time in an institution of higher education, or is an individual who is not assigned to or placed in an institution of higher learning through a program under the Job Training Partnership Act, and (3)(A) is not employed a minimum of twenty hours per week or does not participate in a federally financed work study program during the regular school year; (B) is not a parent with responsibility for the care of a dependent child under age six; (C) is not a parent with responsibility for the care of a dependent child above the age of five and under the age of twelve for whom adequate child care is not available; (D) is not receiving aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or (E) is not so enrolled as a result of participation in the work incentive program under title IV of the Social Security Act, as amended (42 U.S.C. 602)."

1988—Subsec. (c)(1). Pub. L. 100-435, §202(b), substituted subpars. (A) and (B) for undesignated provisions requiring households with household income determined on retrospective basis to file periodic reports with system of less frequent reporting for certain categories of households.

Subsec. (c)(2). Pub. L. 100-435, §202(c), added cl. (E).

Subsec. (d)(4)(B)(i). Pub. L. 100-435, §404(a)(1), struck out "have no obligation to incur costs exceeding \$25 per participant per month, as provided in subparagraph (B)(vi), and the State agency shall" before "retain the option".

Subsec. (d)(4)(B)(v). Pub. L. 100-435, §404(a)(3), (4), added cl. (v). Former cl. (v) redesignated (vi).

Subsec. (d)(4)(B)(vi). Pub. L. 100-435, §404(a)(2), (3), redesignated former cl. (v) as (vi) and inserted "or the State under regulations issued by the Secretary," after "the Secretary" and "employment, educational and training" after "other".

Subsec. (d)(4)(H). Pub. L. 100-435, §404(b), added subpar. (H). Former subpar. (H) redesignated (I).

Subsec. (d)(4)(I). Pub. L. 100-435, §404(b)(1), (c), redesignated subpar. (H) as (I) and amended subpar. generally. Prior to amendment, subpar. (I) read as follows: "The State agency shall reimburse participants in programs carried out under this paragraph, including those participating under subparagraph (G), for the actual costs of transportation, and other actual costs, that are reasonably necessary and directly related to participation in the program, except that the State agency may limit such reimbursement to each participant to \$25 per month." Former subpar. (I) redesignated (J).

Subsec. (d)(4)(J), (K). Pub. L. 100-435, §404(b)(1), redesignated subpars. (I) and (J) as (J) and (K), respectively. Former subpar. (K) redesignated (M).

Subsec. (d)(4)(L). Pub. L. 100-435, §404(b)(1), (d), added subpar. (L) and redesignated former subpar. (L) as (N).

Subsec. (d)(4)(M), (N). Pub. L. 100-435, §404(b)(1), redesignated former subpars. (K) and (L) as (M) and (N), respectively.

1985—Subsec. (c)(1). Pub. L. 99-198, §1513(b)(1), amended first sentence generally. Prior to amendment, first sentence read as follows: "State agencies shall require certain categories of households, including all households with earned income, except migrant farmworker households, all households with potential earners, including individuals receiving unemployment compensation benefits and individuals required by subsection (d) of this section to register for work, and all households required to file a similar report under title IV-A of the Social Security Act, but not including households that have no earned income and in which all adult members are elderly or disabled members, to file periodic reports of household circumstances in accordance with stand-

ards prescribed by the Secretary, except that a State agency may, with the prior approval of the Secretary, select categories of households which may report at specified less frequent intervals upon a showing by the State agency, which is satisfactory to the Secretary, that to require households in such categories to report monthly would result in unwarranted expenditures for administration of this subsection.”

Pub. L. 99-198, §1513(b)(2), inserted after second sentence, provision empowering State agencies to require households, other than households with respect to which household income is required by section 2014(f)(2)(A) of this title to be calculated on a prospective basis, to file periodic reports of household circumstances in accordance with the standards prescribed by the Secretary under the preceding provisions of this paragraph.

Subsec. (d)(1). Pub. L. 99-198, §1516(2), inserted sentences at end of par. (1) directing that any period of ineligibility for violations under this paragraph shall end when the household member who committed the violation complies with the requirement that has been violated, and that if the household member who committed the violation leaves the household during the period of ineligibility, such household shall no longer be subject to sanction for such violation and, if it is otherwise eligible, may resume participation in the food stamp program, but any other household of which such person thereafter becomes the head of the household shall be ineligible for the balance of the period of ineligibility.

Subsec. (d)(1)(A). Pub. L. 99-198, §1516(1)(A), (B), designated existing provisions of first sentence of par. (1) as cl. (A) and in provisions of cl. (A) as so designated substituted “no person shall be eligible to participate in the food stamp program who is a physically and mentally fit person between the ages of sixteen and sixty” for “no household shall be eligible for assistance under this chapter if it includes a physically and mentally fit person between the ages of eighteen and sixty” in provisions preceding subcl. (i).

Subsec. (d)(1)(A)(ii). Pub. L. 99-198, §1517(a)(1), substituted “refuses without good cause to participate in an employment and training program under paragraph (4), to the extent required under paragraph (4), including any reasonable employment requirements as are prescribed by the State agency in accordance with paragraph (4), and the period of ineligibility shall be two months” for “refuses to fulfill whatever reasonable reporting and inquiry about employment requirements as are prescribed by the Secretary, which may include a requirement that, at the option of the State agency, such reporting and inquiry commence at the time of application”.

Subsec. (d)(1)(A)(iii), (iv). Pub. L. 99-198, §1516(1)(C), redesignated cl. (iv) as (iii). Former cl. (iii), relating to a head of household who voluntarily quits any job without good cause, with a proviso that the period of ineligibility would be ninety days, was struck out.

Subsec. (d)(1)(B). Pub. L. 99-198, §1516(1)(D), added cl. (B).

Subsec. (d)(2)(F). Pub. L. 99-198, §1516(3), added cl. (F).

Subsec. (d)(4). Pub. L. 99-198, §1517(a)(2), added par. (4).

Subsec. (e)(2). Pub. L. 99-198, §1516(4), inserted “or is an individual who is not assigned to or placed in an institution of higher learning through a program under the Job Training Partnership Act.”

Subsec. (f)(2)(D). Pub. L. 99-198, §1516(5)(A), (B), substituted “sections 1157 and 1158 of title 8” for “section 1153(a)(7) of title 8 because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity”.

Subsec. (f)(2)(F). Pub. L. 99-198, §1516(5)(C), struck out “because of the judgment of the Attorney General that the alien would otherwise be subject to persecution on account of race, religion, or political opinion” after “section 1253(h) of title 8”.

1983—Subsec. (c)(1). Pub. L. 98-204, §5, inserted sentence authorizing the Secretary to permit State agen-

cies to accept, as satisfying the requirement that households report at such specified less frequent intervals, (i) recertifications conducted in accordance with section 2020(e)(4) of this title, (ii) in-person interviews conducted during a certification period, (iii) written reports filed by households, or (iv) such other documentation or actions as the Secretary may prescribe.

Subsec. (c)(3). Pub. L. 98-204, §6, substituted “Reports required to be filed monthly under paragraph (1) shall be the sole reporting requirement for subject matter included in such reports” for “The reporting requirements contained in paragraph (1) of this subsection shall be the sole such requirements for reporting changes in circumstances for participating households”.

1982—Subsec. (c)(1). Pub. L. 97-253, §§145(e), 154, 155, in first sentence substituted “in which all adult members are elderly or disabled members” for “in which all members are sixty years of age or over or receive supplemental security income benefits under title XVI of the Social Security Act or disability and blindness payments under title I, II, X, XIV, and XVI of the Social Security Act” and inserted provision that a State agency may, with the prior approval of the Secretary, select categories of households which may report at specified less frequent intervals upon a showing by the State agency, which is satisfactory to the Secretary, that to require households in such categories to report monthly would result in unwarranted expenditures for administration of this subsection, and, in last sentence, struck out “, on a form designed or approved by the Secretary,” after “to the State agency”.

Subsec. (c)(5). Pub. L. 97-253, §156, added par. (5).

Subsec. (d)(1). Pub. L. 97-253, §§157, 158, inserted “, which may include a requirement that, at the option of the State agency, such reporting and inquiry commence at the time of application” after “Secretary” in cl. (ii), substituted “ninety days” for “sixty days from the time of the voluntary quit” in cl. (iii), and inserted provision that an employee of the Federal Government, or of a State or political subdivision of a State, who engaged in a strike against the Federal Government, a State or political subdivision of a State and is dismissed from his job because of his participation in the strike shall be considered to have voluntarily quit such job without good cause.

Subsec. (d)(2)(C). Pub. L. 97-253, §§159, 190(a), redesignated subpar. (D) as (C), and struck out former subpar. (C) which provided that a person who would otherwise be required to comply with the requirements of par. (1) was exempt if he or she was a parent or other caretaker of a child in a household where there was another able-bodied parent subject to the requirements of this subsection.

Subsec. (d)(2)(D) to (F). Pub. L. 97-253, §190(a), redesignated subpars. (D) to (F) as (C) to (E), respectively. Former subpar. (D) redesignated (C).

Subsec. (d)(3), (4). Pub. L. 97-253, §§160, 190(b), redesignated par. (4) as (3), and struck out former par. (3) which provided that to the extent that a State employment service was assigned responsibility for administering the provisions of this subsection, it had to comply with regulations issued jointly by the Secretary and the Secretary of Labor, which regulations had to be patterned to the maximum extent practicable on the work incentive program requirements set forth in title IV of the Social Security Act and had to take into account the diversity of the needs of the food stamp work registration population.

Subsec. (e)(3)(B). Pub. L. 97-253, §161, substituted “; (B) is not a parent with responsibility for the care of a dependent child under age six;” for “or (B) is not the head of a household (or spouse of such head) containing one or more other persons who are dependents of that individual because he or she supplies more than half of their support, or”.

Subsec. (e)(3)(C) to (E). Pub. L. 97-253, §161, added subpars. (C) and (D) and redesignated former subpar. (C) as (E).

Subsec. (g)(2). Pub. L. 97-253, §189(b)(1), substituted reference to the Secretary of Health and Human Serv-

ices for former reference to the Secretary of Health, Education, and Welfare.

1981—Subsec. (b). Pub. L. 97-35, §112, substituted provisions setting forth disqualification penalties for fraud and misrepresentation, ineligibility period for benefits, and applicable procedures, for provisions relating to prior fraudulent use of coupons or authorization cards, ineligibility period for benefits, and repayment for fraudulent conduct.

Subsec. (c). Pub. L. 97-35, §108(b), in par. (1) inserted provisions enumerating categories of households subject to requirements, and substituted “(f)” for “(f)(2)”, and added par. (4).

Subsec. (c)(1). Pub. L. 97-35, §108(c), struck out provisions respecting election of retrospective accounting system, and filing of periodic reports by household categories.

Subsec. (d)(1). Pub. L. 97-98, §§1310, 1311(1), (2), substituted in cl. (i) “twelve” for “six”, struck out in cl. (iii) “, unless the household was certified for benefits under this chapter immediately prior to such unemployment” after “without good cause”, and inserted in cl. (iv) “(including the lack of adequate child care for children above the age of five and under the age of twelve)” after “good cause”.

Subsec. (d)(2). Pub. L. 97-98, §1311(3), (4), inserted in cl. (A) “, in which case, failure by such person to comply with any work requirement to which such person is subject that is comparable to a requirement of paragraph (1) shall be the same as failure to comply with that requirement of paragraph (1)” after “compensation system” and substituted in cl. (B) “six” for “twelve”.

Subsec. (d)(4). Pub. L. 97-35, §109(a), inserted provisions relating to an increase in allotments as a result of a decrease in income of striking members of a household, and struck out proviso relating to income qualifications, etc., of subsec. (i).

Subsec. (i). Pub. L. 97-35, §109(c), struck out subsec. (i) which related to eligibility of a household containing a person involved in a labor-management dispute.

1980—Subsec. (b). Pub. L. 96-249, §109, inserted provisions permitting each State to decide to proceed against alleged fraud in the program either by way of administrative fraud hearings or by way of reference to appropriate legal authorities for civil or criminal action, or both.

Subsec. (c). Pub. L. 96-249, §110, inserted provisions compelling States electing to use a retrospective accounting system to require that certain categories of households file periodic reports of household circumstances following standards prescribed by the Secretary.

Subsec. (d)(2)(D). Pub. L. 96-249, §140, substituted “enrolled in an institution of higher education shall be ineligible to participate in the food stamp program unless he or she meets the requirements of subsection (e) of this section)” for “shall be subject to the requirements of paragraph (1) of this subsection during any period of more than thirty days when such school or program is in vacation or recess and any such person enrolled in an institution of higher education shall be subject to the requirements of subsection (e)(3)(B) of this section as well)”.

Subsec. (d)(4). Pub. L. 96-249, §114, added par. (4).

Subsec. (e). Pub. L. 96-249, §139, substituted requirement that he or she is physically and mentally fit and is between the ages of eighteen and sixty for requirement that he or she has reached his or her eighteenth birthday, inserted requirement that he or she is not so enrolled as a result of participation in the work incentive program under title IV of the Social Security Act, and struck out requirement that he or she is properly claimed or could properly be claimed as a dependent child for Federal income tax purposes.

Subsec. (f). Pub. L. 96-249, §115, inserted provisions requiring that the income (less a pro rata share) and financial resources of the individual rendered ineligible to participate in the food stamp program under this subsection be considered in determining the eligibility

and the value of the allotment of the household of which such individual is a member.

1979—Subsec. (b). Pub. L. 96-58, §5, provided that, after any specified period of disqualification pursuant to findings under clauses (1) or (2) of this subsection, no disqualified individual would be eligible to participate in the food stamp program unless that individual agreed to a reduction in the allotment of the household of which that individual is a member or to repayment in cash, in accordance with a reasonable schedule as determined by the Secretary that would be sufficient over time to reimburse the Federal Government for the value of the coupons obtained through the fraudulent conduct, and that if any disqualified individual elected repayment in cash under the provisions of the preceding sentence and failed to make payments in accordance with the schedule determined by the Secretary, the household of which that individual was a member would be subject to appropriate allotment reductions.

Subsec. (i). Pub. L. 96-58, §9, added subsec. (i).

1977—Pub. L. 95-113 substituted revised provisions covering eligibility disqualifications for provisions relating to the issuance, usage, and design of coupons which are now covered by section 2016 of this title.

1976—Subsecs. (b) to (e). Pub. L. 94-339 added subsecs. (b) and (c) and redesignated former subsecs. (b) and (c) as (d) and (e), respectively.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4121(e), May 13, 2002, 116 Stat. 324, provided that: “The amendments made by this section [amending this section and section 2025 of this title] take effect on the date of enactment of this Act [May 13, 2002].”

Amendment by sections 4109, 4115(b)(2) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 101(f) [title VIII, §405(d)(2)(B)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, §405(f)(2)(B)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, §405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1997 AMENDMENT

Section 1005(b) of Pub. L. 105-33 provided that: “The amendments made by sections 1001 and 1002 [amending this section and section 2025 of this title] take effect on October 1, 1997, without regard to whether regulations have been promulgated to implement the amendments made by such sections.”

EFFECTIVE DATE OF 1996 AMENDMENTS

Amendment by Pub. L. 104-208 effective, with certain transitional provisions, on the first day of the first month beginning more than 180 days after Sept. 30, 1996, see section 309 of Pub. L. 104-208, set out as a note under section 1101 of Title 8, Aliens and Nationality.

Amendment by section 109(b) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note

under section 401 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Sept. 1, 1994, see section 13971(b)(4) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by section 908 [probably should be 907] of Pub. L. 102-237 effective Sept. 30, 1991, and amendment by section 941(3) of Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1), (3) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, see section 1781(a) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by sections 202(b), (c) and 404(a)(2)-(4), (b), (d) of Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, and amendment by section 404(a)(1), (c) of Pub. L. 100-435 to be effective and implemented on July 1, 1989, except that amendment by section 404 of Pub. L. 100-435 to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(a), (b)(4), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENTS

Amendment by Pub. L. 97-35, except section 108(c) of Pub. L. 97-35 (which amended this section), effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title, see section 192(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title. See section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

Amendments by Pub. L. 97-35, except for amendment made by section 108(c) of Pub. L. 97-35, effective and implemented upon such dates as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title.

Section 108(c) of Pub. L. 97-35 provided that the amendment made by that section is effective Oct. 1, 1983.

EFFECTIVE DATE OF 1979 AMENDMENT

Secretary of Agriculture to issue final regulations implementing the amendment of subsec. (b) of this section by Pub. L. 96-58 within 150 days after Aug. 14, 1979, see section 10(b) of Pub. L. 96-58, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

REGULATIONS

Section 1005(a) of title I of Pub. L. 105-33 provided that: "Not later than 1 year after the date of enactment of this Act [Aug. 5, 1997], the Secretary of Agriculture shall promulgate such regulations as are necessary to implement the amendments made by this title [amending this section and sections 2020 and 2025 of this title]."

ABOLITION OF IMMIGRATION AND NATURALIZATION SERVICE AND TRANSFER OF FUNCTIONS

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

TRANSITION PROVISION FOR WORK REQUIREMENT

Section 824(b) of Pub. L. 104-193 provided that: "The term 'preceding 36-month period' in section 6(o) of the Food Stamp Act of 1977 [7 U.S.C. 2015(o)], as added by subsection (a), does not include, with respect to a State, any period before the earlier of—

- "(1) the date the State notifies recipients of food stamp benefits of the application of section 6(o); or
- "(2) the date that is 3 months after the date of enactment of this Act [Aug. 22, 1996]."

EXEMPTION FROM MONTHLY REPORTING SYSTEMS FOR HOUSEHOLDS RESIDING ON INDIAN RESERVATIONS

Section 908(a)(2) of Pub. L. 102-237, as amended by Pub. L. 103-11, §1, Apr. 1, 1993, 107 Stat. 41; Pub. L. 103-205, §1, Dec. 17, 1993, 107 Stat. 2418, provided that no State agency be required to exempt households residing on Indian reservations from food stamp program monthly reporting systems until Mar. 15, 1994, and directed Secretary of Agriculture to issue final regulations requiring exemption of households residing on Indian reservations from food stamp program monthly reporting systems no later than Dec. 1, 1992, prior to repeal by Pub. L. 103-225, title I, §104(a), Mar. 25, 1994, 108 Stat. 107.

MANDATORY MONTHLY REPORTING-RETROSPECTIVE BUDGETING FOR FOOD STAMP PROGRAM; PROHIBITION

Pub. L. 98-107, §101(b), Oct. 1, 1983, 97 Stat. 735, provided in part: "That notwithstanding any other provision of this joint resolution, no part of any of the funds appropriated or otherwise made available by this or any other Act may be used to implement mandatory monthly reporting-retrospective budgeting for the food stamp program during the first three months of the fiscal year ending September 30, 1984".

§ 2016. Issuance and use of coupons

(a) Printing

Coupons shall be printed under such arrangements and in such denominations as may be determined by the Secretary to be necessary, and (except as provided in subsection (j) of this section) shall be issued only to households which have been duly certified as eligible to participate in the food stamp program.

(b) Approved food stores; receipt of cash in change for coupons used to purchase food

Coupons issued to eligible households shall be used by them only to purchase food in retail food stores which have been approved for participation in the food stamp program at prices prevailing in such stores: *Provided*, That nothing

in this chapter shall be construed as authorizing the Secretary to specify the prices at which food may be sold by wholesale food concerns or retail food stores: *Provided further*, That eligible households using coupons to purchase food may receive cash in change therefor so long as the cash received does not equal or exceed the value of the lowest coupon denomination issued.

(c) Design of coupons

Coupons issued to eligible households shall be simple in design and shall include only such words or illustrations as are required to explain their purpose and define their denomination. The name of any public official shall not appear on such coupons.

(d) Coupon level inventories; monitorship; monthly operations report

The Secretary shall develop an appropriate procedure for determining and monitoring the level of coupon inventories in the hands of coupon issuers for the purpose of providing that such inventories are at proper levels (taking into consideration the historical and projected volume of coupon distribution by such issuers). Such procedures shall provide that coupon inventories in the hands of such issuers are not in excess of the reasonable needs of such issuers taking into consideration the ease with which such coupon inventories may be resupplied. The Secretary shall require each coupon issuer at intervals prescribed by the Secretary, but not less often than monthly, to send to the Secretary or the Secretary's designee, which may include the State agency, a written report of the issuer's operations during such period. In addition to other information deemed by the Secretary to be appropriate, the Secretary shall require that the report contain an oath, or affirmation, signed by the coupon issuer, or in the case of a corporation or other entity not a natural person, by an appropriate official of the coupon issuer, certifying that the information contained in the report is true and correct to the best of such person's knowledge and belief.

(e) Delivery and control procedures

The Secretary shall prescribe appropriate procedures for the delivery of coupons to coupon issuers and for the subsequent controls to be placed over such coupons by coupon issuers in order to ensure adequate accountability.

(f) State issuance liability

Notwithstanding any other provision of this chapter, the State agency shall be strictly liable to the Secretary for any financial losses involved in the acceptance, storage and issuance of coupons, including any losses involving failure of a coupon issuer to comply with the requirements specified in section 2020(e)(20)¹ of this title, except that in the case of losses resulting from the issuance and replacement of authorizations for coupons and allotments which are sent through the mail, the State agency shall be liable to the Secretary to the extent prescribed in the regulations promulgated by the Secretary.

¹ See References in Text note below.

(g) Alternative system or documents; costs

(1) If the Secretary determines, in consultation with the Inspector General of the Department of Agriculture, that it would improve the integrity of the food stamp program, the Secretary shall require a State agency—

(A) to issue or deliver coupons using alternative methods, including an automatic data processing and information retrieval system; or

(B) to issue, in lieu of coupons, reusable documents to be used as part of an automatic data processing and information retrieval system and to be presented by, and returned to, recipients at retail food stores for the purpose of purchasing food.

(2) The cost of documents or systems that may be required pursuant to this subsection may not be imposed upon a retail food store participating in the food stamp program.

(h) Staggered issuance procedures

(1) The State agency may establish a procedure for staggering the issuance of coupons to eligible households throughout the month. Upon the request of the tribal organization that exercises governmental jurisdiction over the reservation, the State agency shall stagger the issuance of benefits for eligible households located on reservations for at least 15 days of a month.

(2) Any procedure established under paragraph (1) shall not reduce the allotment of any household and shall ensure that no household experiences an interval between issuances of more than 40 days. The procedure may include issuing a household's benefits in more than one issuance.

(i) Electronic benefit transfers

(1) IN GENERAL.—

(A) IMPLEMENTATION.—Not later than October 1, 2002, each State agency shall implement an electronic benefit transfer system under which household benefits determined under section 2017(a) or 2035 of this title are issued from and stored in a central databank, unless the Secretary provides a waiver for a State agency that faces unusual barriers to implementing an electronic benefit transfer system.

(B) TIMELY IMPLEMENTATION.—Each State agency is encouraged to implement an electronic benefit transfer system under subparagraph (A) as soon as practicable.

(C) STATE FLEXIBILITY.—Subject to paragraph (2), a State agency may procure and implement an electronic benefit transfer system under the terms, conditions, and design that the State agency considers appropriate.

(D) OPERATION.—An electronic benefit transfer system should take into account generally accepted standard operating rules based on—

(i) commercial electronic funds transfer technology;

(ii) the need to permit interstate operation and law enforcement monitoring; and

(iii) the need to permit monitoring and investigations by authorized law enforcement agencies.

(2) The Secretary shall issue final regulations that establish standards for the approval of such a system. The standards shall include—

(A) defining the required level of recipient protection regarding privacy, ease of use, and access to and service in retail food stores;

(B) the terms and conditions of participation by retail food stores, financial institutions, and other appropriate parties;

(C)(i) measures to maximize the security of a system using the most recent technology available that the State agency considers appropriate and cost effective and which may include personal identification numbers, photographic identification on electronic benefit transfer cards, and other measures to protect against fraud and abuse; and

(ii) effective not later than 2 years after August 22, 1996, to the extent practicable, measures that permit a system to differentiate items of food that may be acquired with an allotment from items of food that may not be acquired with an allotment;

(D) system transaction interchange, reliability, and processing speeds;

(E) financial accountability;

(F) the required testing of system operations prior to implementation;

(G) the analysis of the results of system implementation in a limited project area prior to expansion; and

(H) procurement standards.

(3) In the case of a system described in paragraph (1) in which participation is not optional for households, the Secretary shall not approve such a system unless—

(A) a sufficient number of eligible retail food stores, including those stores able to serve minority language populations, have agreed to participate in the system throughout the area in which it will operate to ensure that eligible households will not suffer a significant reduction in their choice of retail food stores or a significant increase in the cost of food or transportation to participating food stores; and

(B) any special equipment necessary to allow households to purchase food with the benefits issued under this chapter is operational—

(i) in the case of a participating retail food store in which coupons are used to purchase 15 percent or more of the total dollar amount of food sold by the store (as determined by the Secretary), at all registers in the store; and

(ii) in the case of other participating stores, at a sufficient number of registers to provide service that is comparable to service provided individuals who are not members of food stamp households, as determined by the Secretary.

(4) Administrative costs incurred in connection with activities under this subsection shall be eligible for reimbursement in accordance with section 2025 of this title, subject to the limitations in section 2025(g) of this title.

(5) The Secretary shall periodically inform State agencies of the advantages of using electronic benefit systems to issue benefits in accordance with this subsection in lieu of issuing coupons to households.

(6) This subsection shall not diminish the authority of the Secretary to conduct projects to

test automated or electronic benefit delivery systems under section 2026(f) of this title.

(7) REPLACEMENT OF BENEFITS.—Regulations issued by the Secretary regarding the replacement of benefits and liability for replacement of benefits under an electronic benefit transfer system shall be similar to the regulations in effect for a paper-based food stamp issuance system.

(8) REPLACEMENT CARD FEE.—A State agency may collect a charge for replacement of an electronic benefit transfer card by reducing the monthly allotment of the household receiving the replacement card.

(9) OPTIONAL PHOTOGRAPHIC IDENTIFICATION.—

(A) IN GENERAL.—A State agency may require that an electronic benefit card contain a photograph of 1 or more members of a household.

(B) OTHER AUTHORIZED USERS.—If a State agency requires a photograph on an electronic benefit card under subparagraph (A), the State agency shall establish procedures to ensure that any other appropriate member of the household or any authorized representative of the household may utilize the card.

(10) APPLICABLE LAW.—Disclosures, protections, responsibilities, and remedies established by the Federal Reserve Board under section 1693b of title 15 shall not apply to benefits under this chapter delivered through any electronic benefit transfer system.

(11) APPLICATION OF ANTI-TYING RESTRICTIONS TO ELECTRONIC BENEFIT TRANSFER SYSTEMS.—

(A) DEFINITIONS.—In this paragraph:

(i) AFFILIATE.—The term “affiliate” has the meaning provided the term in section 1841(k) of title 12.

(ii) COMPANY.—The term “company” has the meaning provided the term in section 1971 of title 12, but shall not include a bank, a bank holding company, or any subsidiary of a bank holding company.

(iii) ELECTRONIC BENEFIT TRANSFER SERVICE.—The term “electronic benefit transfer service” means the processing of electronic transfers of household benefits, determined under section 2017(a) or 2035 of this title, if the benefits are—

(I) issued from and stored in a central databank;

(II) electronically accessed by household members at the point of sale; and

(III) provided by a Federal or State government.

(iv) POINT-OF-SALE SERVICE.—The term “point-of-sale service” means any product or service related to the electronic authorization and processing of payments for merchandise at a retail food store, including credit or debit card services, automated teller machines, point-of-sale terminals, or access to on-line systems.

(B) RESTRICTIONS.—A company may not sell or provide electronic benefit transfer services, or fix or vary the consideration for electronic benefit transfer services, on the condition or requirement that the customer—

(i) obtain some additional point-of-sale service from the company or an affiliate of the company; or

(ii) not obtain some additional point-of-sale service from a competitor of the company or competitor of any affiliate of the company.

(C) CONSULTATION WITH THE FEDERAL RESERVE BOARD.—Before promulgating regulations or interpretations of regulations to carry out this paragraph, the Secretary shall consult with the Board of Governors of the Federal Reserve System.

(j) State option to issue benefits to certain individuals made ineligible by welfare reform

(1) In general

Notwithstanding any other provision of law, a State agency may, with the approval of the Secretary, issue benefits under this chapter to an individual who is ineligible to participate in the food stamp program solely as a result of section 2015(o)(2) of this title or section 1612 or 1613 of title 8.

(2) State payments to Secretary

(A) In general

Not later than the date the State agency issues benefits to individuals under this subsection, the State agency shall pay the Secretary, in accordance with procedures established by the Secretary, an amount that is equal to—

- (i) the value of the benefits; and
- (ii) the costs of printing, shipping, and redeeming coupons, and other Federal costs, incurred in providing the benefits, as determined by the Secretary.

(B) Crediting

Notwithstanding section 3302(b) of title 31, payments received under subparagraph (A) shall be credited to the food stamp program appropriation account or the account from which the costs were drawn, as appropriate, for the fiscal year in which the payment is received.

(3) Reporting

To be eligible to issue benefits under this subsection, a State agency shall comply with reporting requirements established by the Secretary to carry out this subsection.

(4) Plan

To be eligible to issue benefits under this subsection, a State agency shall—

(A) submit a plan to the Secretary that describes the conditions and procedures under which the benefits will be issued, including eligibility standards, benefit levels, and the methodology the State agency will use to determine amounts due the Secretary under paragraph (2); and

(B) obtain the approval of the Secretary for the plan.

(5) Violations

A sanction, disqualification, fine, or other penalty prescribed under Federal law (including sections 2021 and 2024 of this title) shall apply to a violation committed in connection with a coupon issued under this subsection.

(6) Ineligibility for administrative reimbursement

Administrative and other costs incurred in issuing a benefit under this subsection shall

not be eligible for Federal funding under this chapter.

(7) Exclusion from enhanced payment accuracy systems

Section 2025(c) of this title shall not apply to benefits issued under this subsection.

(k) Interoperability and portability of electronic benefit transfer transactions

(1) Definitions

In this subsection:

(A) Electronic benefit transfer card

The term “electronic benefit transfer card” means a card that provides benefits under this chapter through an electronic benefit transfer service (as defined in subsection (i)(11)(A) of this section).

(B) Electronic benefit transfer contract

The term “electronic benefit transfer contract” means a contract that provides for the issuance, use, or redemption of coupons in the form of electronic benefit transfer cards.

(C) Interoperability

The term “interoperability” means a system that enables a coupon issued in the form of an electronic benefit transfer card to be redeemed in any State.

(D) Interstate transaction

The term “interstate transaction” means a transaction that is initiated in 1 State by the use of an electronic benefit transfer card that is issued in another State.

(E) Portability

The term “portability” means a system that enables a coupon issued in the form of an electronic benefit transfer card to be used in any State by a household to purchase food at a retail food store or wholesale food concern approved under this chapter.

(F) Settling

The term “settling” means movement, and reporting such movement, of funds from an electronic benefit transfer card issuer that is located in 1 State to a retail food store, or wholesale food concern, that is located in another State, to accomplish an interstate transaction.

(G) Smart card

The term “smart card” means an intelligent benefit card described in section 2026(f) of this title.

(H) Switching

The term “switching” means the routing of an interstate transaction that consists of transmitting the details of a transaction electronically recorded through the use of an electronic benefit transfer card in 1 State to the issuer of the card that is in another State.

(2) Requirement

Not later than October 1, 2002, the Secretary shall ensure that systems that provide for the electronic issuance, use, and redemption of

coupons in the form of electronic benefit transfer cards are interoperable, and food stamp benefits are portable, among all States.

(3) Cost

The cost of achieving the interoperability and portability required under paragraph (2) shall not be imposed on any food stamp retail store, or any wholesale food concern, approved to participate in the food stamp program.

(4) Standards

Not later than 210 days after February 11, 2000, the Secretary shall promulgate regulations that—

(A) adopt a uniform national standard of interoperability and portability required under paragraph (2) that is based on the standard of interoperability and portability used by a majority of State agencies; and

(B) require that any electronic benefit transfer contract that is entered into 30 days or more after the regulations are promulgated, by or on behalf of a State agency, provide for the interoperability and portability required under paragraph (2) in accordance with the national standard.

(5) Exemptions

(A) Contracts

The requirements of paragraph (2) shall not apply to the transfer of benefits under an electronic benefit transfer contract before the expiration of the term of the contract if the contract—

(i) is entered into before the date that is 30 days after the regulations are promulgated under paragraph (4); and

(ii) expires after October 1, 2002.

(B) Waiver

At the request of a State agency, the Secretary may provide 1 waiver to temporarily exempt, for a period ending on or before the date specified under clause (iii), the State agency from complying with the requirements of paragraph (2), if the State agency—

(i) establishes to the satisfaction of the Secretary that the State agency faces unusual technological barriers to achieving by October 1, 2002, the interoperability and portability required under paragraph (2);

(ii) demonstrates that the best interest of the food stamp program would be served by granting the waiver with respect to the electronic benefit transfer system used by the State agency to administer the food stamp program; and

(iii) specifies a date by which the State agency will achieve the interoperability and portability required under paragraph (2).

(C) Smart card systems

The Secretary shall allow a State agency that is using smart cards for the delivery of food stamp program benefits to comply with the requirements of paragraph (2) at such time after October 1, 2002, as the Secretary determines that a practicable technological method is available for interoperability with electronic benefit transfer cards.

(6) Funding

(A) In general

In accordance with regulations promulgated by the Secretary, the Secretary shall pay 100 percent of the costs incurred by a State agency under this chapter for switching and settling interstate transactions—

(i) incurred after February 11, 2000, and before October 1, 2002, if the State agency uses the standard of interoperability and portability adopted by a majority of State agencies; and

(ii) incurred after September 30, 2002, if the State agency uses the uniform national standard of interoperability and portability adopted under paragraph (4)(A).

(B) Limitation

The total amount paid to State agencies for each fiscal year under subparagraph (A) shall not exceed \$500,000.

(Pub. L. 88-525, §7, Aug. 31, 1964, 78 Stat. 705; Pub. L. 91-671, §5, Jan. 11, 1971, 84 Stat. 2050; Pub. L. 93-86, §3(m), Aug. 10, 1973, 87 Stat. 248; Pub. L. 93-125, §1(k), Oct. 18, 1973, 87 Stat. 450; Pub. L. 94-339, §2, July 5, 1976, 90 Stat. 799; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 967; Pub. L. 97-98, title XIII, §1312, Dec. 22, 1981, 95 Stat. 1285; Pub. L. 97-253, title I, §§162, 190(c)(2), Sept. 8, 1982, 96 Stat. 778, 787; Pub. L. 99-198, title XV, §§1518, 1519, Dec. 23, 1985, 99 Stat. 1578; Pub. L. 100-435, title II, §203(b), Sept. 19, 1988, 102 Stat. 1657; Pub. L. 101-624, title XVII, §§1728, 1729(a), Nov. 28, 1990, 104 Stat. 3788, 3789; Pub. L. 103-225, title I, §102, Mar. 25, 1994, 108 Stat. 107; Pub. L. 104-193, title VIII, §825(a), Aug. 22, 1996, 110 Stat. 2324; Pub. L. 105-18, title VII, [(a)], June 12, 1997, 111 Stat. 216; Pub. L. 106-171, §3, Feb. 11, 2000, 114 Stat. 3; Pub. L. 107-171, title IV, §4110, May 13, 2002, 116 Stat. 309.)

REFERENCES IN TEXT

Section 2020(e)(20) of this title, referred to in subsec. (f), was redesignated section 2020(e)(19) of this title by Pub. L. 104-193, title VIII, §835(1)(D)(i), Aug. 22, 1996, 110 Stat. 2330.

AMENDMENTS

2002—Subsec. (i)(2). Pub. L. 107-171 redesignated subpars. (B) to (I) as (A) to (H), respectively, and struck out former subpar. (A) which read as follows: “determining the cost-effectiveness of the system to ensure that its operational cost, including the pro rata cost of capital expenditures and other reasonable startup costs, does not exceed the operational cost of issuance systems in use prior to the implementation of the electronic benefit transfer system.”

2000—Subsec. (k). Pub. L. 106-171 added subsec. (k).

1997—Subsec. (a). Pub. L. 105-18, title VII, [(a)(1)], inserted “(except as provided in subsection (j) of this section)” after “necessary, and”.

Subsec. (j). Pub. L. 105-18, title VII, [(a)(2)], added subsec. (j).

1996—Subsec. (i). Pub. L. 104-193, §825(a)(1), inserted subsec. heading.

Subsec. (i)(1). Pub. L. 104-193, §825(a)(1), added par. (1) and struck out former par. (1) which read as follows:

“(1)(A) Any State agency may, with the approval of the Secretary, implement an on-line electronic benefit transfer system in which household benefits determined under section 2017(a) of this title are issued from and stored in a central data bank and electronically accessed by household members at the point-of-sale.

“(B) No State agency may implement or expand an electronic benefit transfer system without prior approval from the Secretary.”

Subsec. (i)(2). Pub. L. 104-193, § 825(a)(2)(A), struck out “effective no later than April 1, 1992,” after “regulations” in introductory provisions.

Subsec. (i)(2)(A). Pub. L. 104-193, § 825(a)(2)(B), struck out “, in any 1 year;” after “does not exceed” and “online” before “electronic benefit”.

Subsec. (i)(2)(D). Pub. L. 104-193, § 825(a)(2)(C), added subpar. (D) and struck out former subpar. (D) which read as follows: “system security;”.

Subsec. (i)(2)(I). Pub. L. 104-193, § 825(a)(2)(D)-(F), added subpar. (I).

Subsec. (i)(7) to (11). Pub. L. 104-193, § 825(a)(3), added pars. (7) to (11).

1994—Subsec. (h)(1). Pub. L. 103-225 inserted second sentence and struck out former second sentence which read as follows: “The State agency shall establish such a procedure for eligible households residing on reservations.”

1990—Subsec. (h). Pub. L. 101-624, § 1728, amended subsec. (h) generally. Prior to amendment, subsec. (h) read as follows: “The State agency may implement a procedure for staggering the issuance of coupons to eligible households throughout the entire month: *Provided*, That the procedure ensures that, in the transition period from other issuance procedures, no eligible household experiences an interval between coupon issuances of more than 40 days, either through regular issuances by the State agency or through supplemental issuances.”

Subsec. (i). Pub. L. 101-624, § 1729(a), added subsec. (i). 1988—Subsec. (h). Pub. L. 100-435 struck out par. (1) designation and par. (2) which read as follows: “For any eligible household that applies for participation in the food stamp program during the last fifteen days of a month and is issued benefits within that period, coupons shall be issued for the first full month of participation by the the [sic] eighth day of the first full month of participation.”

1985—Subsec. (g)(1). Pub. L. 99-198, § 1519, substituted “shall” for “may” in provisions preceding subpar. (A).

Subsec. (h). Pub. L. 99-198, § 1518, added subsec. (h).

1982—Subsec. (f). Pub. L. 97-253, § 190(c)(2), substituted reference to section 2020(e)(20) of this title for former reference to section 2020(e)(21) of this title.

Subsec. (g). Pub. L. 97-253, § 162, added subsec. (g).

1981—Subsec. (f). Pub. L. 97-98 substituted “strictly liable” for “responsible” and inserted provision including any losses involving failure of a coupon issuer to comply with the requirements of section 2020(e)(21) of this title, except that in the case of losses resulting from the issuance and replacement of authorizations for coupons and allotments sent through the mail, State agency liability be to the extent prescribed in regulations.

1977—Pub. L. 95-113 substituted revised provisions relating to issuance and use of coupons for provisions relating to value of the coupon allotment which are now covered by section 2017 of this title.

1976—Subsec. (d). Pub. L. 94-339 designated existing provisions as par. (1) and added pars. (2) to (7).

1973—Subsec. (a). Pub. L. 93-125 substituted “for households of a given size unless the increase in the face value” for “for value”.

Pub. L. 93-86 substituted provisions relating to determination of semiannual adjustments in face value of coupon allotment for provisions relating to determination of annual adjustments in such allotment.

1971—Subsec. (a). Pub. L. 91-671 substituted provision for issuance of coupon allotment in such amount as the Secretary determines to be the cost of a nutritionally adequate diet, adjusted annually to reflect changes in prices of food published by Bureau of Labor Statistics for prior provision for issuance in such amount as will provide households with an opportunity more nearly to obtain a low-cost nutritionally adequate diet and inserted “any” before “households”.

Subsec. (b). Pub. L. 91-671 substituted provisions respecting charges to households for coupon allotments

representing reasonable investment on part of the households, issuance of coupon allotments without charge where monthly income is less than \$30 for a family of four, and election of coupon allotment with a lesser face value than the face value authorized to be issued for prior provision for a charge determined to be equivalent to normal expenditures for food.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 1728 of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, and amendment by section 1729 of Pub. L. 101-624 effective Nov. 28, 1990, see section 1781(a), (b)(2) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 effective Jan. 1, 1989, except with regard to those States not implementing section 203(a) of Pub. L. 100-435 (amending section 2017 of this title), see section 701(b)(3)(B) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

REPORT ON ELECTRONIC BENEFIT TRANSFER SYSTEMS

Pub. L. 107-171, title IV, § 4111, May 13, 2002, 116 Stat. 309, provided that:

“(a) DEFINITION OF EBT SYSTEM.—In this section, the term ‘EBT system’ means an electronic benefit transfer system used in issuance of benefits under the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

“(b) REPORT.—Not later than October 1, 2003, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

“(1) describes the status of use by each State agency of EBT systems;

“(2) specifies the number of vendors that have entered into a contract for an EBT system with a State agency;

“(3)(A) specifies the number of State agencies that have entered into an EBT-system contract with multiple EBT-system vendors; and

“(B) describes, for each State agency described in subparagraph (A), how responsibilities are divided among the various vendors;

“(4) with respect to any State in which an EBT system is not operational throughout the State as of October 1, 2002—

“(A) provides an explanation of the reasons why an EBT system is not operational throughout the State;

“(B) describes how the reasons are being addressed; and

“(C) specifies the expected date of operation of an EBT system throughout the State;

“(5) provides a description of—

“(A) the issues faced by any State agency that has awarded a second EBT-system contract in the 2-year period preceding the date of the report; and

“(B) the steps that the State agency has taken to address those issues;

“(6) provides a description of—

“(A) the issues faced by any State agency that will award a second EBT-system contract within the 2-year period beginning on the date of the report; and

“(B) strategies that the State agency is considering to address those issues;

“(7) describes initiatives being considered or taken by the Department of Agriculture, food retailers, EBT-system vendors, and client advocates to address any outstanding issues with respect to EBT systems; and

“(8) examines areas of potential advances in electronic benefit delivery in the 5- to 10-year period beginning on the date of the report, including—

“(A) access to EBT systems at farmers’ markets;

“(B) increased use of transaction data from EBT systems to identify and prosecute fraud; and

“(C) fostering of increased competition among EBT-system vendors to ensure cost containment and optimal service.”

CONGRESSIONAL STATEMENT OF PURPOSE

Pub. L. 106-171, § 2, Feb. 11, 2000, 114 Stat. 3, provided that: “The purposes of this Act [amending this section and enacting provisions set out as notes under this section and section 2011 of this title] are—

“(1) to protect the integrity of the food stamp program;

“(2) to ensure cost-effective portability of food stamp benefits across State borders without imposing additional administrative expenses for special equipment to address problems relating to the portability;

“(3) to enhance the flow of interstate commerce involving electronic transactions involving food stamp benefits under a uniform national standard of interoperability and portability; and

“(4) to eliminate the inefficiencies resulting from a patchwork of State-administered systems and regulations established to carry out the food stamp program.”

STUDY OF ALTERNATIVES FOR HANDLING ELECTRONIC BENEFIT TRANSACTIONS INVOLVING FOOD STAMP BENEFITS

Pub. L. 106-171, § 4, Feb. 11, 2000, 114 Stat. 6, provided that: “Not later than 1 year after the date of enactment of this Act [Feb. 11, 2000], the Secretary of Agriculture shall study and report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on alternatives for handling interstate electronic benefit transactions involving food stamp benefits provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), including the feasibility and desirability of a single hub for switching (as defined in section 7(k)(1) of that Act [7 U.S.C. 2016(k)(1)] (as added by section 3)).”

SUSPENSION OF STAGGERED ISSUANCE OF FOOD STAMP COUPONS

Pub. L. 102-237, title IX, § 908(a)(1), Dec. 13, 1991, 105 Stat. 1886, as amended by Pub. L. 103-11, § 1, Apr. 1, 1993, 107 Stat. 41; Pub. L. 103-205, § 1, Dec. 17, 1993, 107 Stat. 2418, provided that no State agency be required to implement 7 U.S.C. 2016(h)(1), regarding staggering of is-

suance of food stamp coupons, until Mar. 15, 1994, and directed Secretary of Agriculture to issue final regulations requiring staggered issuance of coupons no later than Dec. 1, 1992, prior to repeal by Pub. L. 103-225, title I, § 104(a), Mar. 25, 1994, 108 Stat. 107.

FOOD STAMP COUPONS, COST INCREASE SUSPENSION

Pub. L. 94-4, Feb. 20, 1975, 89 Stat. 6, provided that notwithstanding the provisions of 7 U.S.C. 2016(b), the charge imposed on any household for a coupon allotment under this chapter after Feb. 20, 1975, and prior to Dec. 30, 1975, could not exceed the charge that would have been imposed on such household for such coupon allotment under rules and regulations promulgated under this chapter and in effect on Jan. 1, 1975.

§ 2017. Value of allotment

(a) Calculation

The value of the allotment which State agencies shall be authorized to issue to any households certified as eligible to participate in the food stamp program shall be equal to the cost to such households of the thrifty food plan reduced by an amount equal to 30 per centum of the household’s income, as determined in accordance with section 2014(d) and (e) of this title, rounded to the nearest lower whole dollar: *Provided*, That for households of one and two persons the minimum allotment shall be \$10 per month.

(b) Benefits not deemed income or resources for certain purposes

The value of benefits that may be provided under this chapter, whether through coupons, access devices, or otherwise¹ shall not be considered income or resources for any purpose under any Federal, State, or local laws, including, but not limited to, laws relating to taxation, welfare, and public assistance programs, and no participating State or political subdivision thereof shall decrease any assistance otherwise provided an individual or individuals because of the receipt of benefits under this chapter.

(c) First month benefits prorated

(1) The value of the allotment issued to any eligible household for the initial month or other initial period for which an allotment is issued shall have a value which bears the same ratio to the value of the allotment for a full month or other initial period for which the allotment is issued as the number of days (from the date of application) remaining in the month or other initial period for which the allotment is issued bears to the total number of days in the month or other initial period for which the allotment is issued, except that no allotment may be issued to a household for the initial month or period if the value of the allotment which such household would otherwise be eligible to receive under this subsection is less than \$10. Households shall receive full months’ allotments for all months within a certification period, except as provided in the first sentence of this paragraph with respect to an initial month.

(2) As used in this subsection, the term “initial month” means (A) the first month for which an allotment is issued to a household, (B) the first month for which an allotment is issued to

¹ So in original. Probably should be followed by a comma.

a household following any period in which such household was not participating in the food stamp program under this chapter after the expiration of a certification period or after the termination of the certification of a household, during a certification period, when the household ceased to be eligible after notice and an opportunity for a hearing under section 2020(e)(10) of this title, and (C) in the case of a migrant or seasonal farmworker household, the first month for which allotment is issued to a household that applies following any period of more than 30 days in which such household was not participating in the food stamp program after previous participation in such program.

(3) **OPTIONAL COMBINED ALLOTMENT FOR EXPEDITED HOUSEHOLDS.**—A State agency may provide to an eligible household applying after the 15th day of a month, in lieu of the initial allotment of the household and the regular allotment of the household for the following month, an allotment that is equal to the total amount of the initial allotment and the first regular allotment. The allotment shall be provided in accordance with section 2020(e)(3) of this title in the case of a household that is not entitled to expedited service and in accordance with paragraphs (3) and (9) of section 2020(e) of this title in the case of a household that is entitled to expedited service.

(d) Reduction of public assistance benefits

(1) In general

If the benefits of a household are reduced under a Federal, State, or local law relating to a means-tested public assistance program for the failure of a member of the household to perform an action required under the law or program, for the duration of the reduction—

(A) the household may not receive an increased allotment as the result of a decrease in the income of the household to the extent that the decrease is the result of the reduction; and

(B) the State agency may reduce the allotment of the household by not more than 25 percent.

(2) Rules and procedures

If the allotment of a household is reduced under this subsection for a failure to perform an action required under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State agency may use the rules and procedures that apply under part A of title IV of the Act to reduce the allotment under the food stamp program.

(e) Allotments for households residing in centers

(1) In general

In the case of an individual who resides in a center for the purpose of a drug or alcoholic treatment program described in section 2012(i)(5) of this title, a State agency may provide an allotment for the individual to—

(A) the center as an authorized representative of the individual for a period that is less than 1 month; and

(B) the individual, if the individual leaves the center.

(2) Direct payment

A State agency may require an individual referred to in paragraph (1) to designate the

center in which the individual resides as the authorized representative of the individual for the purpose of receiving an allotment.

(f) Alternative procedures for residents of certain group facilities

(1) In general

(A) Applicability

(i) In general

Subject to clause (ii), at the option of the State agency, allotments for residents of any facility described in subparagraph (B), (C), (D), or (E) of section 2012(i)(5) of this title (referred to in this subsection as a “covered facility”) may be determined and issued under this paragraph in lieu of subsection (a) of this section.

(ii) Limitation

Unless the Secretary authorizes implementation of this paragraph in all States under paragraph (3), clause (i) shall apply only to residents of covered facilities participating in a pilot project under paragraph (2).

(B) Amount of allotment

The allotment for each eligible resident described in subparagraph (A) shall be calculated in accordance with standardized procedures established by the Secretary that take into account the allotments typically received by residents of covered facilities.

(C) Issuance of allotment

(i) In general

The State agency shall issue an allotment determined under this paragraph to a covered facility as the authorized representative of the residents of the covered facility.

(ii) Adjustment

The Secretary shall establish procedures to ensure that a covered facility does not receive a greater proportion of a resident's monthly allotment than the proportion of the month during which the resident lived in the covered facility.

(D) Departures of residents of covered facilities

(i) Notification

Any covered facility that receives an allotment for a resident under this paragraph shall—

(I) notify the State agency promptly on the departure of the resident; and

(II) notify the resident, before the departure of the resident, that the resident—

(aa) is eligible for continued benefits under the food stamp program; and

(bb) should contact the State agency concerning continuation of the benefits.

(ii) Issuance to departed residents

On receiving a notification under clause (i)(I) concerning the departure of a resident, the State agency—

(I) shall promptly issue the departed resident an allotment for the days of the

month after the departure of the resident (calculated in a manner prescribed by the Secretary) unless the departed resident reapplies to participate in the food stamp program; and

(II) may issue an allotment for the month following the month of the departure (but not any subsequent month) based on this paragraph unless the departed resident reapplies to participate in the food stamp program.

(iii) State option

The State agency may elect not to issue an allotment under clause (ii)(I) if the State agency lacks sufficient information on the location of the departed resident to provide the allotment.

(iv) Effect of reapplication

If the departed resident reapplies to participate in the food stamp program, the allotment of the departed resident shall be determined without regard to this paragraph.

(2) Pilot projects

(A) In general

Before the Secretary authorizes implementation of paragraph (1) in all States, the Secretary shall carry out, at the request of 1 or more State agencies and in 1 or more areas of the United States, such number of pilot projects as the Secretary determines to be sufficient to test the feasibility of determining and issuing allotments to residents of covered facilities under paragraph (1) in lieu of subsection (a) of this section.

(B) Project plan

To be eligible to participate in a pilot project under subparagraph (A), a State agency shall submit to the Secretary for approval a project plan that includes—

(i) a specification of the covered facilities in the State that will participate in the pilot project;

(ii) a schedule for reports to be submitted to the Secretary on the pilot project;

(iii) procedures for standardizing allotment amounts that takes into account the allotments typically received by residents of covered facilities; and

(iv) a commitment to carry out the pilot project in compliance with the requirements of this subsection other than paragraph (1)(B).

(3) Authorization of implementation in all States

(A) In general

The Secretary shall—

(i) determine whether to authorize implementation of paragraph (1) in all States; and

(ii) notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the determination.

(B) Determination not to authorize implementation in all States

(i) In general

If the Secretary makes a finding described in clause (ii), the Secretary—

(I) shall not authorize implementation of paragraph (1) in all States; and

(II) shall terminate all pilot projects under paragraph (2) within a reasonable period of time (as determined by the Secretary).

(ii) Finding

The finding referred to in clause (i) is that—

(I) an insufficient number of project plans that the Secretary determines to be eligible for approval are submitted by State agencies under paragraph (2)(B); or

(II)(aa) a sufficient number of pilot projects have been carried out under paragraph (2)(A); and

(bb) authorization of implementation of paragraph (1) in all States is not in the best interest of the food stamp program.

(Pub. L. 88-525, §8, Aug. 31, 1964, 78 Stat. 705; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 968; Pub. L. 97-35, title I, §§104(b), 110, Aug. 13, 1981, 95 Stat. 359, 361; Pub. L. 97-253, title I, §§143(c), 152(b), 163, 164, Sept. 8, 1982, 96 Stat. 773, 776, 778; Pub. L. 99-198, title XV, §1520, Dec. 23, 1985, 99 Stat. 1578; Pub. L. 100-387, title V, §502(a), Aug. 11, 1988, 102 Stat. 960; Pub. L. 100-435, title II, §203(a), Sept. 19, 1988, 102 Stat. 1656; Pub. L. 101-624, title XVII, §§1730, 1732, Nov. 28, 1990, 104 Stat. 3790; Pub. L. 102-237, title IX, §§909, 910, Dec. 13, 1991, 105 Stat. 1887; Pub. L. 103-66, title XIII, §13916, Aug. 10, 1993, 107 Stat. 674; Pub. L. 103-296, title I, §108(f)(1), Aug. 15, 1994, 108 Stat. 1486; Pub. L. 104-193, title VIII, §§826-830, 854(c)(1), Aug. 22, 1996, 110 Stat. 2327, 2342; Pub. L. 107-171, title IV, §4112(a), (b)(3), May 13, 2002, 116 Stat. 310, 313.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (d)(2), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

AMENDMENTS

2002—Subsec. (e)(1). Pub. L. 107-171, §4112(b)(3), substituted “section 2012(i)(5) of this title” for “the last sentence of section 2012(i) of this title” in introductory provisions.

Subsec. (f). Pub. L. 107-171, §4112(a), added subsec. (f). 1996—Subsec. (a). Pub. L. 104-193, §826, struck out before period at end “,” and shall be adjusted on each October 1 to reflect the percentage change in the cost of the thrifty food plan without regard to the special adjustments under section 2012(o) of this title for the 12-month period ending the preceding June, with the result rounded to the nearest \$5”.

Subsec. (c)(2)(B). Pub. L. 104-193, §827, struck out “of more than one month” after “following any period”.

Subsec. (c)(3). Pub. L. 104-193, §828, added par. (3) and struck out former par. (3) which read as follows: “A State agency—

“(A) in the case of a household that is not entitled in the month in which it applies to expedited service

under section 2020(e)(9) of this title, may provide that an eligible household applying after the 15th day of the month shall receive, in lieu of its initial allotment and its regular allotment for the following month, an allotment that is the aggregate of the initial allotment and the first regular allotment, which shall be provided in accordance with paragraph (3) of section 2020(e) of this title; and

“(B) in the case of a household that is entitled in the month in which it applies to expedited service under section 2020(e)(9) of this title, shall provide that an eligible household applying after the 15th day of the month shall receive, in lieu of its initial allotment and its regular allotment for the following month, an allotment that is the aggregate of the initial allotment and the first regular allotment, which shall be provided in accordance with paragraphs (3) and (9) of section 2020(e) of this title.”

Subsec. (d). Pub. L. 104-193, § 829, added subsec. (d) and struck out former subsec. (d) which read as follows: “A household against which a penalty has been imposed for an intentional failure to comply with a Federal, State, or local law relating to welfare or a public assistance program may not, for the duration of the penalty, receive an increased allotment as the result of a decrease in the household’s income (as determined under sections 2014(d) and 2014(e) of this title) to the extent that the decrease is the result of such penalty.”

Subsec. (e). Pub. L. 104-193, § 854(c)(1), redesignated subsec. (f) as (e) and struck out former subsec. (e) which provided for simplified application procedures for beneficiaries of other programs, and for allotments, evaluation, cost sharing, and standardized procedures and benefits.

Subsec. (f). Pub. L. 104-193, § 854(c)(1), redesignated subsec. (f) as (e).

Pub. L. 104-193, § 830, added subsec. (f).

1994—Subsec. (e)(6). Pub. L. 103-296 inserted “the Commissioner of Social Security and” before “the Secretary of Health and Human Services”.

1993—Subsec. (c)(2)(B). Pub. L. 103-66 inserted “of more than one month in” after “following any period”.

1991—Subsec. (b). Pub. L. 102-237, § 909, substituted “benefits that may be provided under this chapter, whether through coupons, access devices, or otherwise” for “the allotment provided any eligible household” and “benefits” for “an allotment”.

Subsec. (c)(1). Pub. L. 102-237, § 910(1), inserted at end “Households shall receive full months’ allotments for all months within a certification period, except as provided in the first sentence of this paragraph with respect to an initial month.”

Subsec. (c)(2)(B). Pub. L. 102-237, § 910(2), substituted “the expiration of a certification period or after the termination of the certification of a household, during a certification period, when the household ceased to be eligible after notice and an opportunity for a hearing under section 2020(e)(10) of this title” for “previous participation in such program”.

1990—Subsec. (a). Pub. L. 101-624, § 1730, inserted before period at end “, and shall be adjusted on each October 1 to reflect the percentage change in the cost of the thrifty food plan without regard to the special adjustments under section 2012(o) of this title for the 12-month period ending the preceding June, with the result rounded to the nearest \$5”.

Subsec. (c)(3). Pub. L. 101-624, § 1732, amended par. (3) generally. Prior to amendment, par. (3) read as follows: “An eligible household applying after the 15th day of the month shall receive, in lieu of its initial allotment and its regular allotment for the following month, an allotment that is the aggregate of the initial allotment and the first regular allotment, which shall be provided in accordance with paragraphs (3) and (9) of section 2020(e) of this title.”

1988—Subsec. (c). Pub. L. 100-387 substituted “(2)” for “and (2)” and added cl. (3).

Subsec. (c)(1), (2). Pub. L. 100-435, § 203(a)(1), (2), designated first sentence of subsec. (c) as par. (1) and designated second sentence of subsec. (c) as par. (2), and

redesignated cls. (1) to (3) of par. (2) as cls. (A) to (C), respectively.

Subsec. (c)(3). Pub. L. 100-435, § 203(a)(3), added par. (3).

1985—Subsec. (e). Pub. L. 99-198 added subsec. (e).

1982—Subsec. (a). Pub. L. 97-253, §§ 143(c), 152(b), substituted “nearest lower whole dollar” for “nearest whole dollar”, and struck out provision which required the Secretary, six months after the implementation of the elimination of the charge for allotments and annually thereafter, to report to Congress the effect on participation and cost thereof.

Subsec. (c). Pub. L. 97-253, § 163, inserted provision that no allotment may be issued to a household for the initial month or period if the value of the allotment which such household would otherwise be eligible to receive under this subsection is less than \$10, and substituted “following any period” for “following any period of more than thirty days” in cl. (2).

Subsec. (d). Pub. L. 97-253, § 164, added subsec. (d).

1981—Subsec. (a). Pub. L. 97-35, § 104(b), inserted “(d) and (e)” after “2014”.

Subsec. (c). Pub. L. 97-35, § 110, added subsec. (c).

1977—Pub. L. 95-113 substituted revised provisions relating to the value of the coupon allotment for provisions covering approval of retail stores and wholesale food concerns which are now covered by section 2018 of this title.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Sept. 1, 1994, see section 13971(b)(4) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 1730 of Pub. L. 101-624 effective Oct. 1, 1990, and amendment by section 1732 of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, see section 1781(a), (b)(1) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100-435 effective Jan. 1, 1989, and implemented by States by Jan. 1, 1990, see section 701(b)(3)(A) of Pub. L. 100-435, set out as a note under section 2012 of this title.

Section 502(b) of Pub. L. 100-387 provided that:

“(1) The amendments made by this section [amending this section] take effect on the date of enactment of this Act [Aug. 11, 1988].

“(2) The amendments made by this section shall not apply with respect to allotments issued under the Food Stamp Act of 1977 [this chapter] to any household for any month beginning before the effective period of this section begins.”

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title, see section 192(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-35 effective and implemented upon such dates as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

§ 2018. Approval of retail food stores and wholesale food concerns

(a) Applications; qualifications; certificate of approval; periodic reauthorization

(1) Regulations issued pursuant to this chapter shall provide for the submission of applications for approval by retail food stores and wholesale food concerns which desire to be authorized to accept and redeem coupons under the food stamp program and for the approval of those applicants whose participation will effectuate the purposes of the food stamp program. In determining the qualifications of applicants, there shall be considered among such other factors as may be appropriate, the following: (A) the nature and extent of the food business conducted by the applicant; (B) the volume of coupon business which may reasonably be expected to be conducted by the applicant food store or wholesale food concern; and (C) the business integrity and reputation of the applicant. Approval of an applicant shall be evidenced by the issuance to such applicant of a nontransferable certificate of approval. No retail food store or wholesale food concern of a type determined by the Secretary, based on factors that include size, location, and type of items sold, shall be approved to be authorized or reauthorized for participation in the food stamp program unless an authorized employee of the Department of Agriculture, a designee of the Secretary, or, if practicable, an official of the State or local government designated by the Secretary has visited the store or concern for the purpose of determining whether the store or concern should be approved or reauthorized, as appropriate.

(2) The Secretary shall issue regulations providing for—

(A) the periodic reauthorization of retail food stores and wholesale food concerns; and

(B) periodic notice to participating retail food stores and wholesale food concerns of the definitions of “retail food store”, “staple foods”, “eligible foods”, and “perishable foods”.

(3) AUTHORIZATION PERIODS.—The Secretary shall establish specific time periods during which authorization to accept and redeem coupons, or to redeem benefits through an electronic benefit transfer system, shall be valid under the food stamp program.

(b) Effective and efficient operation of program; effect of disqualification; posting of bond

(1) No wholesale food concern may be authorized to accept and redeem coupons unless the Secretary determines that its participation is required for the effective and efficient operation of the food stamp program. No co-located wholesale-retail food concern may be authorized to accept and redeem coupons as a retail food store, unless (A) the concern does a substantial level of retail food business, or (B) the Secretary determines that failure to authorize such a food concern as a retail food store would cause hardship to food stamp households. In addition, no firm may be authorized to accept and redeem coupons as both a retail food store and as a wholesale food concern at the same time.

(2)(A) A buyer or transferee (other than a bona fide buyer or transferee) of a retail food store or wholesale food concern that has been disqualified under section 2021(a) of this title may not accept or redeem coupons until the Secretary receives full payment of any penalty imposed on such store or concern.

(B) A buyer or transferee may not, as a result of the sale or transfer of such store or concern, be required to furnish a bond under section 2021(d) of this title.

(c) Information submitted by applicants; safeguards; disclosure to and use by State agencies

Regulations issued pursuant to this chapter shall require an applicant retail food store or wholesale food concern to submit information, which may include relevant income and sales tax filing documents, which will permit a determination to be made as to whether such applicant qualifies, or continues to qualify, for approval under the provisions of this chapter or the regulations issued pursuant to this chapter. The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with appropriate agencies and to obtain corroborating documentation from other sources so that the accuracy of information provided by the stores and concerns may be verified. Regulations issued pursuant to this chapter shall provide for safeguards which limit the use or disclosure of information obtained under the authority granted by this subsection to purposes directly connected with administration and enforcement of the provisions of this chapter or the regulations issued pursuant to this chapter, except that such information may be disclosed to and used by Federal law enforcement and investigative agencies and law enforcement and investigative agencies of a State government for the purposes of administering or enforcing this chapter or any other Federal or State law and the regulations issued under this chapter or such law, and State agencies that administer the special supplemental nutrition program for women, infants and children, authorized under section 17 of the Child Nutrition Act of 1966 [42 U.S.C. 1786], for purposes of administering the provisions of that Act [42 U.S.C. 1771 et seq.] and the regulations issued under that Act. Any person who publishes, divulges, discloses, or makes known in any manner or to any

extent not authorized by Federal law (including a regulation) any information obtained under this subsection shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both. The regulations shall establish the criteria to be used by the Secretary to determine whether the information is needed. The regulations shall not prohibit the audit and examination of such information by the Comptroller General of the United States authorized by any other provision of law.

(d) Hearing upon failure of applicant to receive approval; waiting period for new application

Any retail food store or wholesale food concern which has failed upon application to receive approval to participate in the food stamp program may obtain a hearing on such refusal as provided in section 2023 of this title. A retail food store or wholesale food concern that is denied approval to accept and redeem coupons because the store or concern does not meet criteria for approval established by the Secretary may not, for at least 6 months, submit a new application to participate in the program. The Secretary may establish a longer time period under the preceding sentence, including permanent disqualification, that reflects the severity of the basis of the denial.

(e) Reporting of abuses by public

Approved retail food stores shall display a sign providing information on how persons may report abuses they have observed in the operation of the food stamp program.

(f) Limitation on participation of house-to-house trade routes

In those areas in which the Secretary, in consultation with the Inspector General of the Department of Agriculture, finds evidence that the operation of house-to-house trade routes damages the program's integrity, the Secretary shall limit the participation of house-to-house trade routes to those routes that are reasonably necessary to provide adequate access to households.

(Pub. L. 88-525, §9, Aug. 31, 1964, 78 Stat. 705; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 968; Pub. L. 97-98, title XIII, §§1313, 1314, Dec. 22, 1981, 95 Stat. 1285; Pub. L. 97-253, title I, §165, Sept. 8, 1982, 96 Stat. 779; Pub. L. 99-198, title XV, §§1521, 1532(b), Dec. 23, 1985, 99 Stat. 1579, 1583; Pub. L. 99-570, title XI, §11002(d), Oct. 27, 1986, 100 Stat. 3207-168; Pub. L. 101-624, title XVII, §§1733, 1734, Nov. 28, 1990, 104 Stat. 3791; Pub. L. 102-237, title IX, §941(4), Dec. 13, 1991, 105 Stat. 1892; Pub. L. 103-225, title II, §§202, 203, Mar. 25, 1994, 108 Stat. 108; Pub. L. 103-448, title II, §204(w)(2)(A), Nov. 2, 1994, 108 Stat. 4746; Pub. L. 104-193, title VIII, §§831-834, Aug. 22, 1996, 110 Stat. 2328.)

REFERENCES IN TEXT

That Act, meaning the Child Nutrition Act of 1966, referred to in subsec. (c), is Pub. L. 89-642, Oct. 11, 1966, 80 Stat. 885, as amended, which is classified generally to chapter 13A (§1771 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 1771 of Title 42 and Tables.

AMENDMENTS

1996—Subsec. (a)(1). Pub. L. 104-193, §831, inserted at end “No retail food store or wholesale food concern of a type determined by the Secretary, based on factors that include size, location, and type of items sold, shall be approved to be authorized or reauthorized for participation in the food stamp program unless an authorized employee of the Department of Agriculture, a designee of the Secretary, or, if practicable, an official of the State or local government designated by the Secretary has visited the store or concern for the purpose of determining whether the store or concern should be approved or reauthorized, as appropriate.”

Subsec. (a)(3). Pub. L. 104-193, §832, added par. (3).

Subsec. (c). Pub. L. 104-193, §833, in first sentence, inserted “, which may include relevant income and sales tax filing documents,” after “submit information” and inserted after first sentence “The regulations may require retail food stores and wholesale food concerns to provide written authorization for the Secretary to verify all relevant tax filings with appropriate agencies and to obtain corroborating documentation from other sources so that the accuracy of information provided by the stores and concerns may be verified.”

Subsec. (d). Pub. L. 104-193, §834, inserted at end “A retail food store or wholesale food concern that is denied approval to accept and redeem coupons because the store or concern does not meet criteria for approval established by the Secretary may not, for at least 6 months, submit a new application to participate in the program. The Secretary may establish a longer time period under the preceding sentence, including permanent disqualification, that reflects the severity of the basis of the denial.”

1994—Subsec. (a)(2). Pub. L. 103-225, §202, amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The Secretary is authorized to issue regulations providing for a periodic reauthorization of retail food stores and wholesale food concerns.”

Subsec. (c). Pub. L. 103-448 in second sentence substituted “special supplemental nutrition program” for “special supplemental food program”.

Pub. L. 103-225, §203, in second sentence inserted “Federal law enforcement and investigative agencies and law enforcement and investigative agencies of a State government for the purposes of administering or enforcing this chapter or any other Federal or State law and the regulations issued under this chapter or such law, and” after “disclosed to and used by”, inserted after second sentence “Any person who publishes, divulges, discloses, or makes known in any manner or to any extent not authorized by Federal law (including a regulation) any information obtained under this subsection shall be fined not more than \$1,000 or imprisoned not more than 1 year, or both.”, and in last sentence substituted “The regulations shall establish the criteria to be used by the Secretary to determine whether the information is needed. The regulations shall not prohibit” for “Such purposes shall not exclude”.

1991—Subsec. (a)(1). Pub. L. 102-237 redesignated cls. (1) to (3) as (A) to (C), respectively.

1990—Subsec. (a). Pub. L. 101-624, §1733, designated existing provisions as par. (1) and added par. (2).

Subsec. (b)(1). Pub. L. 101-624, §1734, inserted after first sentence “No co-located wholesale-retail food concern may be authorized to accept and redeem coupons as a retail food store, unless (A) the concern does a substantial level of retail food business, or (B) the Secretary determines that failure to authorize such a food concern as a retail food store would cause hardship to food stamp households.”

1986—Subsec. (g). Pub. L. 99-570, §1102(d), (f)(3), temporarily added subsec. (g) which read as follows: “In an area in which the Secretary, in consultation with the Inspector General of the Department of Agriculture, finds evidence that the participation of an establishment or shelter described in section 2012(g)(9) of this title damages the program's integrity, the Secretary

shall limit the participation of such establishment or shelter in the food stamp program, unless the establishment or shelter is the only establishment or shelter serving the area.”. See Effective and Termination Dates of 1986 Amendment note below.

1985—Subsec. (b). Pub. L. 99-198, §1532(b), designated existing provisions as par. (1) and added par. (2).

Subsec. (c). Pub. L. 99-198, §1521, inserted provisions relating to disclosure of information to, and the use by, State agencies which administer the special supplemental food program for women, infants, and children, authorized under section 17 of the Child Nutrition Act of 1966.

1982—Subsec. (f). Pub. L. 97-253 added subsec. (f).

1981—Subsec. (c). Pub. L. 97-98, §1313, inserted provision that such purposes not exclude the audit and examination of such information by the Comptroller General of the United States authorized by any other provision of law.

Subsec. (e). Pub. L. 97-98, §1314, added subsec. (e).

1977—Pub. L. 95-113 substituted revised provisions covering approval of retail food stores and wholesale food concerns for provisions relating to redemption of coupons which are now covered by section 2019 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-448 effective Oct. 1, 1994, see section 401 of Pub. L. 103-448, set out as a note under section 1755 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, see section 1781(a) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE AND TERMINATION DATES OF 1986 AMENDMENT

Amendment by Pub. L. 99-570 effective, and to be implemented by issuance of final regulations, not later than Apr. 1, 1987, and cease to be effective after Sept. 30, 1990, see section 11002(f)(1), (2) of Pub. L. 99-570, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

§ 2019. Redemption of coupons

Regulations issued pursuant to this chapter shall provide for the redemption of coupons ac-

cepted by retail food stores through approved wholesale food concerns or through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation, or which are insured under the Federal Credit Union Act [12 U.S.C. 1751 et seq.] and have retail food stores or wholesale food concerns in their field of membership, with the cooperation of the Treasury Department, except that retail food stores defined in section 2012(k)(4) of this title shall be authorized to redeem their members' food coupons prior to receipt by the members of the food so purchased, and publicly operated community mental health centers or private nonprofit organizations or institutions which serve meals to narcotics addicts or alcoholics in drug addiction or alcoholic treatment and rehabilitation programs, public and private nonprofit shelters that prepare and serve meals for battered women and children, and public or private nonprofit group living arrangements that serve meals to disabled or blind residents, shall not be authorized to redeem coupons through financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or the Federal Credit Union Act. Notwithstanding the preceding sentence, a center, organization, institution, shelter, group living arrangement, or establishment described in that sentence may be authorized to redeem coupons through a financial institution described in that sentence if the center, organization, institution, shelter, group living arrangement, or establishment is equipped with 1 or more point-of-sale devices and is operating in an area in which an electronic benefit transfer system described in section 2016(i) of this title has been implemented. No financial institution may impose on or collect from a retail food store a fee or other charge for the redemption of coupons that are submitted to the financial institution in a manner consistent with the requirements, other than any requirements relating to cancellation of coupons, for the presentation of coupons by financial institutions to the Federal Reserve banks.

(Pub. L. 88-525, §10, Aug. 31, 1964, 78 Stat. 706; Pub. L. 91-671, §6, Jan. 11, 1971, 84 Stat. 2051; Pub. L. 92-603, title IV, §411(c)-(e), Oct. 30, 1972, 86 Stat. 1491; Pub. L. 93-86, §3(f), (i), (k), Aug. 10, 1973, 87 Stat. 247, 248; Pub. L. 93-125, §1(j), Oct. 18, 1973, 87 Stat. 450; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 969; Pub. L. 96-58, §8, Aug. 14, 1979, 93 Stat. 392; Pub. L. 96-249, title I, §101(b), May 26, 1980, 94 Stat. 357; Pub. L. 97-98, title XIII, §1315, Dec. 22, 1981, 95 Stat. 1285; Pub. L. 99-198, title XV, §§1501(b), 1522, 1523(a), Dec. 23, 1985, 99 Stat. 1566, 1580; Pub. L. 99-570, title XI, §11002(e), Oct. 27, 1986, 100 Stat. 3207-168; Pub. L. 107-171, title IV, §4113(a), May 13, 2002, 116 Stat. 313.)

REFERENCES IN TEXT

The Federal Credit Union Act, referred to in text, is act June 26, 1934, ch. 750, 48 Stat. 1216, as amended, which is classified generally to chapter 14 (§1751 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1751 of Title 12 and Tables.

AMENDMENTS

2002—Pub. L. 107-171 inserted after first sentence “Notwithstanding the preceding sentence, a center, organization, institution, shelter, group living arrangement, or establishment described in that sentence may be authorized to redeem coupons through a financial institution described in that sentence if the center, organization, institution, shelter, group living arrangement, or establishment is equipped with 1 or more point-of-sale devices and is operating in an area in which an electronic benefit transfer system described in section 2016(i) of this title has been implemented.”

1986—Pub. L. 99-570, §11002(e), (f), temporarily struck out “and” after “battered women and children,” and inserted “, and public or private nonprofit establishments, or public or private nonprofit shelters that feed individuals who do not reside in permanent dwellings and individuals who have no fixed mailing addresses”. See Effective and Termination Dates of 1986 Amendment note below.

1985—Pub. L. 99-198, §1501(b), inserted reference to publicly operated community mental health centers.

Pub. L. 99-198, §1522, inserted “, or which are insured under the Federal Credit Union Act and have retail food stores or wholesale food concerns in their field of membership” and “or the Federal Credit Union Act”.

Pub. L. 99-198, §1523(a), inserted sentence providing that no financial institution may impose on or collect from a retail food store a fee or other charge for the redemption of coupons that are submitted to the financial institution in a manner consistent with the requirements, other than any requirements relating to cancellation of coupons, for the presentation of coupons by financial institutions to the Federal Reserve banks.

1981—Pub. L. 97-98 substituted “financial institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation” for “banks” wherever appearing.

1980—Pub. L. 96-249 substituted “purchased,” for “purchased” and “residents” for “residents,” and inserted “, public and private nonprofit shelters that prepare and serve meals for battered women and children” after “programs”.

1979—Pub. L. 96-58 inserted provisions relating to public and private nonprofit group living arrangements that serve meals to disabled or blind residents.

1977—Pub. L. 95-113 substituted revised provisions covering redemption of coupons for provisions relating to administration of program which are now covered by section 2020 of this title.

1973—Subsec. (e). Pub. L. 93-86, §3(i), inserted cls. (6) and (7), designated former cl. (6) as (8), and inserted provision relating to time for submission of plan of operation to Secretary for approval and time for Secretary to make a determination of approval or disapproval of such plan.

Subsec. (h). Pub. L. 93-125 inserted “members of” after “the Secretary shall permit”.

Pub. L. 93-86, §3(k), inserted provisions authorizing meal purchases from senior citizens’ centers, apartment buildings occupied primarily by elderly persons, any public or nonprofit private school which prepares meals especially for elderly persons, any public or nonprofit private eating establishment which prepares meals especially for elderly persons during special hours, and any other public or nonprofit private establishment approved for such purpose by the Secretary.

Subsec. (i). Pub. L. 93-86, §3(f), added subsec. (i).

1972—Subsec. (c). Pub. L. 92-603, §411(c), struck out provisions relating to filing of an affidavit by household for certification of eligibility for public assistance.

Subsec. (e). Pub. L. 92-603, §411(d), (e), substituted “prescribed by the Secretary in the regulations issued pursuant to this chapter” for “used by them in the certification of applicants for benefits under the federally aided public assistance programs” in cl. (2), and struck out provisions requiring the State agency to institute

procedures under which any household participating in the food stamp program shall be entitled to have the charges for its coupon allotment deducted from grants or payments such household is entitled to receive and have its coupon allotment distributed to it with such grant or payment.

1971—Subsec. (c). Pub. L. 91-671, §6(a), inserted provisions respecting certification of eligibility for benefits by execution of an affidavit and duration of validity of a certification upon removal of a household from one political subdivision to another.

Subsec. (e). Pub. L. 91-671, §6(b), substituted “regulations” for “regulation” in second sentence preceding cl. (1) and “from time to time may” for “may from time to time”, and added cls. (5) and (6) and provision for withholding in the State plan.

Subsec. (h). Pub. L. 91-671, §6(c), added subsec. (h).

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4113(b), May 13, 2002, 116 Stat. 314, provided that: “The amendment made by this section [amending this section] takes effect on the date of enactment of this Act [May 13, 2002].”

EFFECTIVE AND TERMINATION DATES OF 1986 AMENDMENT

Amendment by Pub. L. 99-570 effective, and to be implemented by issuance of final regulations, not later than Apr. 1, 1987, and cease to be effective after Sept. 30, 1990, see section 11002(f)(1), (2) of Pub. L. 99-570, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96-58 to be implemented in all States by July 1, 1980, but not to affect the rights or liabilities of Secretary, States, and applicant or participant households under provisions of this chapter as in effect on July 1, 1979, until implemented, see section 10(c) of Pub. L. 96-58, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by Pub. L. 92-603 effective Jan. 1, 1973, see section 411(h) of Pub. L. 92-603, set out as a note under section 2012 of this title.

TRANSFER OF FUNCTIONS

Federal Savings and Loan Insurance Corporation abolished and functions transferred, see Pub. L. 101-73, title IV, §§401-406, Aug. 9, 1989, 103 Stat. 354-363, set out as a note under section 1437 of Title 12, Banks and Banking.

PROMULGATION OF REGULATIONS REGARDING CHARGES FOR REDEMPTION OF COUPONS

Section 1523(b) of Pub. L. 99-198 provided that: “The Secretary of Agriculture, in consultation with the Board of Governors of the Federal Reserve System, shall issue regulations implementing the amendment made by subsection (a) [amending this section].”

PUBLICLY OPERATED COMMUNITY HEALTH CENTERS

Provisions of this section concerning private, non-profit drug addiction or alcoholic treatment and rehabilitation programs to be applicable to publicly operated community health centers, see section 101(b) of Pub. L. 98-107, set out in part as a note under section 2012 of this title.

EXTENSION UNTIL OCTOBER 1, 1976, OF FINAL DATE FOR COMPLIANCE WITH REGULATIONS GOVERNING USE OF FOOD STAMPS BY AFDC FAMILIES

Pub. L. 94-182, title II, § 201, Dec. 31, 1975, 89 Stat. 1056, permitted the final date for compliance with regulations implementing former subsec. (e)(7) of this section to be extended until Oct. 1, 1976.

§ 2020. Administration**(a) State responsibility; records, inspection, and audit**

The State agency of each participating State shall assume responsibility for the certification of applicant households and for the issuance of coupons and the control and accountability thereof. There shall be kept such records as may be necessary to ascertain whether the program is being conducted in compliance with the provisions of this chapter and the regulations issued pursuant to this chapter. Such records shall be available for inspection and audit at any reasonable time and shall be preserved for such period of time, not less than three years, as may be specified in the regulations issued pursuant to this chapter.

(b) Correction of improper denials and under-issuances

When a State agency learns, through its own reviews under section 2025 of this title or other reviews, or through other sources, that it has improperly denied, terminated, or underissued benefits to an eligible household, the State agency shall promptly restore any improperly denied benefits to the extent required by subsection (e)(11) of this section and section 2023(b) of this title, and shall take other steps to prevent a recurrence of such errors where such error was caused by the application of State agency practices, rules or procedures inconsistent with the requirements of this chapter or with regulations or policies of the Secretary issued under the authority of this chapter.

(c) Discrimination prohibited

In the certification of applicant households for the food stamp program, there shall be no discrimination by reason of race, sex, religious creed, national origin, or political beliefs.

(d) Plan of operation by State agency; approval by Secretary; Indians

The State agency (as defined in section 2012(n)(1) of this title) of each State desiring to participate in the food stamp program shall submit for approval a plan of operation specifying the manner in which such program will be conducted within the State in every political subdivision. The Secretary may not, as a part of the approval process for a plan of operation, require a State to submit for prior approval by the Secretary the State agency instructions to staff, interpretations of existing policy, State agency methods of administration, forms used by the

State agency, or any materials, documents, memoranda, bulletins, or other matter, unless the State determines that the materials, documents, memoranda, bulletins, or other matter alter or amend the State plan of operation or conflict with the rights and levels of benefits to which a household is entitled. In the case of all or part of an Indian reservation, the State agency as defined in section 2012(n)(1) of this title shall be responsible for conducting such program on such reservation unless the Secretary determines that the State agency (as defined in section 2012(n)(1) of this title) is failing, subsequent to August 31, 1964, properly to administer such program on such reservation in accordance with the purposes of this chapter and further determines that the State agency as defined in section 2012(n)(2) of this title is capable of effectively and efficiently conducting such program, in light of the distance of the reservation from State agency-operated certification and issuance centers, the previous experience of such tribal organization in the operation of programs authorized under the Indian Self-Determination Act (25 U.S.C. 450) and similar Acts of Congress, the tribal organization's management and fiscal capabilities, and the adequacy of measures taken by the tribal organization to ensure that there shall be no discrimination in the operation of the program on the basis of race, color, sex, or national origin, in which event such State agency shall be responsible for conducting such program and submitting for approval a plan of operation specifying the manner in which such program will be conducted. The Secretary, upon the request of a tribal organization, shall provide the designees of such organization with appropriate training and technical assistance to enable them to qualify as expeditiously as possible as a State agency pursuant to section 2012(n)(2) of this title. A State agency, as defined in section 2012(n)(1) of this title, before it submits its plan of operation to the Secretary for the administration of the food stamp program on all or part of an Indian reservation, shall consult in good faith with the tribal organization about that portion of the State's plan of operation pertaining to the implementation of the program for members of the tribe, and shall implement the program in a manner that is responsive to the needs of the Indians on the reservation as determined by ongoing consultation with the tribal organization.

(e) Requisites of State plan of operation

The State plan of operation required under subsection (d) of this section shall provide, among such other provisions as may be required by regulation—

(1) that the State agency shall (A) at the option of the State agency, inform low-income households about the availability, eligibility requirements, application procedures, and benefits of the food stamp program; and (B) use appropriate bilingual personnel and printed material in the administration of the program in those portions of political subdivisions in the State in which a substantial number of members of low-income households speak a language other than English;

(2)(A) that the State agency shall establish procedures governing the operation of food

stamp offices that the State agency determines best serve households in the State, including households with special needs, such as households with elderly or disabled members, households in rural areas with low-income members, homeless individuals, households residing on reservations, and households in areas in which a substantial number of members of low-income households speak a language other than English.

(B) In carrying out subparagraph (A), a State agency—

(i) shall provide timely, accurate, and fair service to applicants for, and participants in, the food stamp program;

(ii)(I) shall develop an application containing the information necessary to comply with this chapter; and

(II) if the State agency maintains a website for the State agency, shall make the application available on the website in each language in which the State agency makes a printed application available;

(iii) shall permit an applicant household to apply to participate in the program on the same day that the household first contacts a food stamp office in person during office hours;

(iv) shall consider an application that contains the name, address, and signature of the applicant to be filed on the date the applicant submits the application;

(v) shall require that an adult representative of each applicant household certify in writing, under penalty of perjury, that—

(I) the information contained in the application is true; and

(II) all members of the household are citizens or are aliens eligible to receive food stamps under section 2015(f) of this title;

(vi) shall provide a method of certifying and issuing coupons to eligible homeless individuals, to ensure that participation in the food stamp program is limited to eligible households; and

(vii) may establish operating procedures that vary for local food stamp offices to reflect regional and local differences within the State.

(C) Nothing in this chapter shall prohibit the use of signatures provided and maintained electronically, storage of records using automated retrieval systems only, or any other feature of a State agency's application system that does not rely exclusively on the collection and retention of paper applications or other records.

(D) The signature of any adult under this paragraph shall be considered sufficient to comply with any provision of Federal law requiring a household member to sign an application or statement;

(3) that the State agency shall thereafter promptly determine the eligibility of each applicant household by way of verification of income other than that determined to be excluded by section 2014(d) of this title (in part through the use of the information, if any, obtained under section 2025(e) of this title),

household size (in any case such size is questionable), and such other eligibility factors as the Secretary determines to be necessary to implement sections 2014 and 2015 of this title, although the State agency may verify prior to certification, whether questionable or not, the size of any applicant household and such other eligibility factors as the State agency determines are necessary, so as to complete certification of and provide an allotment retroactive to the period of application to any eligible household not later than thirty days following its filing of an application, and that the State agency shall provide each applicant household, at the time of application, a clear written statement explaining what acts the household must perform to cooperate in obtaining verification and otherwise completing the application process;

(4) that the State agency shall insure that each participating household receive a notice of expiration of its certification prior to the start of the last month of its certification period advising the household that it must submit a new application in order to renew its eligibility for a new certification period and, further, that each such household which seeks to be certified another time or more times thereafter by filing an application for such recertification no later than fifteen days prior to the day upon which its existing certification period expires shall, if found to be still eligible, receive its allotment no later than one month after the receipt of the last allotment issued to it pursuant to its prior certification, but if such household is found to be ineligible or to be eligible for a smaller allotment during the new certification period it shall not continue to participate and receive benefits on the basis authorized for the preceding certification period even if it makes a timely request for a fair hearing pursuant to paragraph (10) of this subsection: *Provided*, That the timeliness standards for submitting the notice of expiration and filing an application for recertification may be modified by the Secretary in light of sections 2014(f)(2) and 2015(c) of this title if administratively necessary;

(5) the specific standards to be used in determining the eligibility of applicant households which shall be in accordance with sections 2014 and 2015 of this title and shall include no additional requirements imposed by the State agency;

(6) that—

(A) the State agency shall undertake the certification of applicant households in accordance with the general procedures prescribed by the Secretary in the regulations issued pursuant to this chapter; and

(B) the State agency personnel utilized in undertaking such certification shall be employed in accordance with the current standards for a Merit System of Personnel Administration or any standards later prescribed by the Office of Personnel Management pursuant to section 4728 of title 42 modifying or superseding such standards relating to the establishment and maintenance of personnel standards on a merit basis;

(7) that an applicant household may be represented in the certification process and that

an eligible household may be represented in coupon issuance or food purchase by a person other than a member of the household so long as that person has been clearly designated as the representative of that household for that purpose by the head of the household or the spouse of the head, and, where the certification process is concerned, the representative is an adult who is sufficiently aware of relevant household circumstances, except that the Secretary may restrict the number of households which may be represented by an individual and otherwise establish criteria and verification standards for representation under this paragraph;

(8) safeguards which limit the use or disclosure of information obtained from applicant households to persons directly connected with the administration or enforcement of the provisions of this chapter, regulations issued pursuant to this chapter, Federal assistance programs, or federally assisted State programs, except that—

(A) the safeguards shall not prevent the use or disclosure of such information to the Comptroller General of the United States for audit and examination authorized by any other provision of law;

(B) notwithstanding any other provision of law, all information obtained under this chapter from an applicant household shall be made available, upon request, to local, State or Federal law enforcement officials for the purpose of investigating an alleged violation of this chapter or any regulation issued under this chapter;

(C) the safeguards shall not prevent the use by, or disclosure of such information, to agencies of the Federal Government (including the United States Postal Service) for purposes of collecting the amount of an overissuance of coupons, as determined under section 2022(b) of this title, from Federal pay (including salaries and pensions) as authorized pursuant to section 5514 of title 5 or a Federal income tax refund as authorized by section 3720A of title 31;

(D) notwithstanding any other provision of law, the address, social security number, and, if available, photograph of any member of a household shall be made available, on request, to any Federal, State, or local law enforcement officer if the officer furnishes the State agency with the name of the member and notifies the agency that—

(i) the member—

(I) is fleeing to avoid prosecution, or custody or confinement after conviction, for a crime (or attempt to commit a crime) that, under the law of the place the member is fleeing, is a felony (or, in the case of New Jersey, a high misdemeanor), or is violating a condition of probation or parole imposed under Federal or State law; or

(II) has information that is necessary for the officer to conduct an official duty related to subclause (I);

(ii) locating or apprehending the member is an official duty; and

(iii) the request is being made in the proper exercise of an official duty; and

(E) the safeguards shall not prevent compliance with paragraph (16) or (20)(B);

(9) that the State agency shall—

(A) provide coupons no later than 7 days after the date of application to any household which—

(i)(I) has gross income that is less than \$150 per month; or

(II) is a destitute migrant or a seasonal farmworker household in accordance with the regulations governing such households in effect July 1, 1982; and

(ii) has liquid resources that do not exceed \$100;

(B) provide coupons no later than 7 days after the date of application to any household that has a combined gross income and liquid resources that is less than the monthly rent, or mortgage, and utilities of the household; and

(C) to the extent practicable, verify the income and liquid resources of a household referred to in subparagraph (A) or (B) prior to issuance of coupons to the household;

(10) for the granting of a fair hearing and a prompt determination thereafter to any household aggrieved by the action of the State agency under any provision of its plan of operation as it affects the participation of such household in the food stamp program or by a claim against the household for an overissuance: *Provided*, That any household which timely requests such a fair hearing after receiving individual notice of agency action reducing or terminating its benefits within the household's certification period shall continue to participate and receive benefits on the basis authorized immediately prior to the notice of adverse action until such time as the fair hearing is completed and an adverse decision rendered or until such time as the household's certification period terminates, whichever occurs earlier, except that in any case in which the State agency receives from the household a written statement containing information that clearly requires a reduction or termination of the household's benefits, the State agency may act immediately to reduce or terminate the household's benefits and may provide notice of its action to the household as late as the date on which the action becomes effective. At the option of a State, at any time prior to a fair hearing determination under this paragraph, a household may withdraw, orally or in writing, a request by the household for the fair hearing. If the withdrawal request is an oral request, the State agency shall provide a written notice to the household confirming the withdrawal request and providing the household with an opportunity to request a hearing;

(11) upon receipt of a request from a household, for the prompt restoration in the form of coupons to a household of any allotment or portion thereof which has been wrongfully denied or terminated, except that allotments shall not be restored for any period of time more than one year prior to the date the State agency receives a request for such restoration from a household or the State agency is noti-

fied or otherwise discovers that a loss to a household has occurred;

(12) for the submission of such reports and other information as from time to time may be required by the Secretary;

(13) for indicators of expected performance in the administration of the program;

(14) that the State agency shall specify a plan of operation for providing food stamps for households that are victims of a disaster; that such plan shall include, but not be limited to, procedures for informing the public about the disaster program and how to apply for its benefits, coordination with Federal and private disaster relief agencies and local government officials, application procedures to reduce hardship and inconvenience and deter fraud, and instruction of caseworkers in procedures for implementing and operating the disaster program;

(15) that the State agency shall require each household certified as eligible to participate by methods other than the out-of-office methods specified in the fourth sentence of paragraph (2) of this subsection in those project areas or parts of project areas in which the Secretary, in consultation with the Department's Inspector General, finds that it would be useful to protect the program's integrity and would be cost effective, to present a photographic identification card when using its authorization card in order to receive its coupons. The State agency may permit a member of a household to comply with this paragraph by presenting a photographic identification card used to receive assistance under a welfare or public assistance program;

(16) notwithstanding paragraph (8) of this subsection, for the immediate reporting to the Immigration and Naturalization Service by the State agency of a determination by personnel responsible for the certification or recertification of households that any member of a household is ineligible to receive food stamps because that member is present in the United States in violation of the Immigration and Nationality Act [8 U.S.C. 1101 et seq.];

(17) at the option of the State agency, for the establishment and operation of an automatic data processing and information retrieval system that meets such conditions as the Secretary may prescribe and that is designed to provide efficient and effective administration of the food stamp program;

(18) at the option of the State agency, that information may be requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1320b-7 of title 42 and that any additional information available from agencies administering State unemployment compensation laws under the provisions of section 503(d) of title 42 may be requested and utilized by the State agency (described in section 2012(n)(1) of this title) to the extent permitted under the provisions of section 503(d) of title 42;

(19) that, in project areas or parts thereof where authorization cards are used, and eligible households are required to present photographic identification cards in order to receive

their coupons, the State agency shall include, in any agreement or contract with a coupon issuer, a provision that (A) the issuer shall (i) require the presenter to furnish a photographic identification card at the time the authorization card is presented, and (ii) record on the authorization card the identification number shown on the photographic identification card; and (B) if the State agency determines that the authorization card has been stolen or otherwise was not received by a household certified as eligible, the issuer shall be liable to the State agency for the face value of any coupons issued in the transaction in which such card is used and the issuer fails to comply with the requirements of clause (A) of this paragraph;

(20) that the State agency shall establish a system and take action on a periodic basis—

(A) to verify and otherwise ensure that an individual does not receive coupons in more than 1 jurisdiction within the State; and

(B) to verify and otherwise ensure that an individual who is placed under detention in a Federal, State, or local penal, correctional, or other detention facility for more than 30 days shall not be eligible to participate in the food stamp program as a member of any household, except that—

(i) the Secretary may determine that extraordinary circumstances make it impracticable for the State agency to obtain information necessary to discontinue inclusion of the individual; and

(ii) a State agency that obtains information collected under section 1382(e)(1)(I)(i)(I) of title 42 pursuant to section 1382(e)(1)(I)(ii)(II) of title 42, or under another program determined by the Secretary to be comparable to the program carried out under that section, shall be considered in compliance with this subparagraph.

(21) the plans of the State agency for carrying out employment and training programs under section 2015(d)(4) of this title, including the nature and extent of such programs, the geographic areas and households to be covered under such program, and the basis, including any cost information, for exemptions of categories and individuals and for the choice of employment and training program components reflected in the plans;

(22) in a project area in which 5,000 or more households participate in the food stamp program, for the establishment and operation of a unit for the detection of fraud in the food stamp program, including the investigation, and assistance in the prosecution, of such fraud;

(23) at the option of the State, for procedures necessary to obtain payment of uncollected overissuance of coupons from unemployment compensation pursuant to section 2022(c) of this title;

(24) the guidelines the State agency uses in carrying out section 2015(i) of this title; and

(25) if a State elects to carry out a Simplified Food Stamp Program under section 2035 of this title, the plans of the State agency for operating the program, including—

(A) the rules and procedures to be followed by the State agency to determine food stamp benefits;

(B) how the State agency will address the needs of households that experience high shelter costs in relation to the incomes of the households; and

(C) a description of the method by which the State agency will carry out a quality control system under section 2025(c) of this title.

(f) Nutrition education

(1) In general

To encourage the purchase, preparation, and consumption of nutritious foods, the Secretary is authorized to assign responsibility for the nutrition education of individuals eligible for food stamps, or the program for the distribution of commodities on reservations, to the Cooperative Extension Service, in cooperation with the Food and Nutrition Service. State agencies shall encourage food stamp program participants to participate in the expanded food and nutrition education program conducted under section 343(d) of this title, and any program established under sections 3175a through 3175e of this title. At the request of personnel of such education program, State agencies, wherever practicable, shall allow personnel and information materials of such education program to be placed in food stamp offices.

(2) Grants

(A) In general

The Secretary shall make available not more than \$600,000 for each of fiscal years 1998 through 2001 to pay the Federal share of grants made to eligible private nonprofit organizations and State agencies to carry out subparagraph (B).

(B) Eligibility

A private nonprofit organization or State agency shall be eligible to receive a grant under subparagraph (A) if the organization or agency agrees—

(i) to use the funds to direct a collaborative effort to coordinate and integrate nutrition education into health, nutrition, social service, and food distribution programs for food stamp participants and other low-income households; and

(ii) to design the collaborative effort to reach large numbers of food stamp participants and other low-income households through a network of organizations, including schools, child care centers, farmers' markets, health clinics, and outpatient education services.

(C) Preference

In deciding between 2 or more private nonprofit organizations or State agencies that are eligible to receive a grant under subparagraph (B), the Secretary shall give a preference to an organization or agency that conducted a collaborative effort described in subparagraph (B) and received funding for the collaborative effort from the Secretary before August 5, 1997.

(D) Federal share

(i) In general

Subject to subparagraph (E), the Federal share of a grant under this paragraph shall be 50 percent.

(ii) No in-kind contributions

The non-Federal share of a grant under this paragraph shall be in cash.

(iii) Private funds

The non-Federal share of a grant under this paragraph may include amounts from private nongovernmental sources.

(E) Limit on individual grant

The Federal share of a grant under subparagraph (A) may not exceed \$200,000 for a fiscal year.

(g) State noncompliance; correction of failures

If the Secretary determines, upon information received by the Secretary, investigation initiated by the Secretary, or investigation that the Secretary shall initiate upon receiving sufficient information evidencing a pattern of lack of compliance by a State agency of a type specified in this subsection, that in the administration of the food stamp program there is a failure by a State agency without good cause to comply with any of the provisions of this chapter, the regulations issued pursuant to this chapter, the State plan of operation submitted pursuant to subsection (d) of this section, the State plan for automated data processing submitted pursuant to subsection (o)(2) of this section, or the requirements established pursuant to section 2032 of this title the Secretary shall immediately inform such State agency of such failure and shall allow the State agency a specified period of time for the correction of such failure. If the State agency does not correct such failure within that specified period, the Secretary may refer the matter to the Attorney General with a request that injunctive relief be sought to require compliance forthwith by the State agency and, upon suit by the Attorney General in an appropriate district court of the United States having jurisdiction of the geographic area in which the State agency is located and a showing that non-compliance has occurred, appropriate injunctive relief shall issue, and, whether or not the Secretary refers such matter to the Attorney General, the Secretary shall proceed to withhold from the State such funds authorized under sections 2025(a), 2025(c), and 2025(g) of this title as the Secretary determines to be appropriate, subject to administrative and judicial review under section 2023 of this title.

(h) Deposit by State to cover fraudulently or negligently issued coupons

If the Secretary determines that there has been negligence or fraud on the part of the State agency in the certification of applicant households, the State shall, upon request of the Secretary, deposit into the Treasury of the United States, a sum equal to the face value of any coupon or coupons issued as a result of such negligence or fraud.

(i) Application and denial procedures**(1) Application procedures**

Notwithstanding any other provision of law, households in which all members are applicants for or recipients of supplemental security income shall be informed of the availability of benefits under the food stamp program and be assisted in making a simple application to participate in such program at the social security office and be certified for eligibility utilizing information contained in files of the Social Security Administration.

(2) Denial and termination

Except in a case of disqualification as a penalty for failure to comply with a public assistance program rule or regulation, no household shall have its application to participate in the food stamp program denied nor its benefits under the food stamp program terminated solely on the basis that its application to participate has been denied or its benefits have been terminated under any of the programs carried out under the statutes specified in the second sentence of section 2014(a) of this title and without a separate determination by the State agency that the household fails to satisfy the eligibility requirements for participation in the food stamp program.

(j) Notice of availability of benefits and applications; revision of memorandum of understanding

(1) Any individual who is an applicant for or recipient of supplemental security income or social security benefits (under regulations prescribed by the Secretary in conjunction with the Commissioner of Social Security) shall be informed of the availability of benefits under the food stamp program and informed of the availability of a simple application to participate in such program at the social security office.

(2) The Secretary and the Commissioner of Social Security shall revise the memorandum of understanding in effect on December 23, 1985, regarding services to be provided in social security offices under this subsection and subsection (i) of this section, in a manner to ensure that—

(A) applicants for and recipients of social security benefits are adequately notified in social security offices that assistance may be available to them under this chapter;

(B) applications for assistance under this chapter from households in which all members are applicants for or recipients of supplemental security income will be forwarded immediately to the State agency in an efficient and timely manner; and

(C) the Commissioner of Social Security receives from the Secretary reimbursement for costs incurred to provide such services.

(k) Use of post offices

Subject to the approval of the President, post offices in all or part of the State may issue, upon request by the State agency, food stamps to eligible households.

(l) Special financial audit review of high participation States

Whenever the ratio of a State's average food stamp participation in any quarter of a fiscal

year to the State's total population in that quarter (estimated on the basis of the latest available population estimates as provided by the Department of Commerce, Bureau of the Census, Series P-25, Current Population Reports (or its successor series)) exceeds 60 per centum, the Office of the Inspector General of the Department of Agriculture shall immediately schedule a financial audit review of a sample of project areas within that State. Any financial audit review subsequent to the first such review, required under the preceding sentence, shall be conducted at the option of the Office of the Inspector General.

(m) Alaskan fee agents; use and services

The Secretary shall provide for the use of fee agents in rural Alaska. As used in this subsection "fee agent" means a paid agent who, although not a State employee, is authorized by the State to make applications available to low-income households, assist in the completion of applications, conduct required interviews, secure required verification, forward completed applications and supporting documentation to the State agency, and provide other services as required by the State agency. Such services shall not include making final decisions on household eligibility or benefit levels.

(n) Verification by State agencies

The Secretary shall require State agencies to conduct verification and implement other measures where necessary, but no less often than annually, to assure that an individual does not receive both coupons and benefits or payments referred to in section 2015(g) of this title or both coupons and assistance provided in lieu of coupons under section 2026(b)(1) of this title.

(o) Data processing systems; model plan; comprehensive automation and computerization; State plans; evaluation and report to Congress; corrective measures by State; time for implementation

(1) The Secretary shall develop, after consultation with, and with the assistance of, an advisory group of State agencies appointed by the Secretary without regard to the provisions of the Federal Advisory Committee Act, a model plan for the comprehensive automation of data processing and computerization of information systems under the food stamp program. The plan shall be developed and made available for public comment through publication of the proposed plan in the Federal Register not later than October 1, 1986. The Secretary shall complete the plan, taking into consideration public comments received, not later than February 1, 1987. The elements of the plan may include intake procedures, eligibility determinations and calculation of benefits, verification procedures, coordination with related Federal and State programs, the issuance of benefits, reconciliation procedures, the generation of notices, and program reporting. In developing the plan, the Secretary shall take into account automated data processing and information systems already in existence in States and shall provide for consistency with such systems.

(2) Not later than October 1, 1987, each State agency shall develop and submit to the Sec-

retary for approval a plan for the use of an automated data processing and information retrieval system to administer the food stamp program in such State. The State plan shall take into consideration the model plan developed by the Secretary under paragraph (1) and shall provide time frames for completion of various phases of the State plan. If a State agency already has a sufficient automated data processing and information retrieval system, the State plan may, subject to the Secretary's approval, reflect the existing State system.

(3) Not later than April 1, 1988, the Secretary shall prepare and submit to Congress an evaluation of the degree and sufficiency of each State's automated data processing and computerized information systems for the administration of the food stamp program, including State plans submitted under paragraph (2). Such report shall include an analysis of additional steps needed for States to achieve effective and cost-efficient data processing and information systems. The Secretary, thereafter, shall periodically update such report.

(4) Based on the Secretary's findings in such report submitted under paragraph (3), the Secretary may require a State agency, as necessary to rectify identified shortcomings in the administration of the food stamp program in the State, except where such direction would displace State initiatives already under way, to take specified steps to automate data processing systems or computerize information systems for the administration of the food stamp program in the State if the Secretary finds that, in the absence of such systems, there will be program accountability or integrity problems that will substantially affect the administration of the food stamp program in the State.

(5)(A) Subject to subparagraph (B), in the case of a plan for an automated data processing and information retrieval system submitted by a State agency to the Secretary under paragraph (2), such State agency shall—

(i) commence implementation of its plan not later than October 1, 1988; and

(ii) meet the time frames set forth in the plan.

(B) The Secretary shall extend a deadline imposed under subparagraph (A) to the extent the Secretary deems appropriate based on the Secretary's finding of a good faith effort of a State agency to implement its plan in accordance with subparagraph (A).

(p) State verification option

Notwithstanding any other provision of law, in carrying out the food stamp program, a State agency shall not be required to use an income and eligibility or an immigration status verification system established under section 1320b-7 of title 42.

(q) Denial of food stamps for prisoners

The Secretary shall assist States, to the maximum extent practicable, in implementing a system to conduct computer matches or other systems to prevent prisoners described in subsection (e)(20)(B) of this section from participating in the food stamp program as a member of any household.

(r) Denial of food stamps for deceased individuals

Each State agency shall—

(1) enter into a cooperative arrangement with the Commissioner of Social Security, pursuant to the authority of the Commissioner under section 405(r)(3) of title 42, to obtain information on individuals who are deceased; and

(2) use the information to verify and otherwise ensure that benefits are not issued to individuals who are deceased.

(s) Transitional benefits option

(1) In general

A State agency may provide transitional food stamp benefits to a household that ceases to receive cash assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(2) Transitional benefits period

Under paragraph (1), a household may receive transitional food stamp benefits for a period of not more than 5 months after the date on which cash assistance is terminated.

(3) Amount of benefits

During the transitional benefits period under paragraph (2), a household shall receive an amount of food stamp benefits equal to the allotment received in the month immediately preceding the date on which cash assistance was terminated, adjusted for the change in household income as a result of—

(A) the termination of cash assistance; and

(B) at the option of the State agency, information from another program in which the household participates.

(4) Determination of future eligibility

In the final month of the transitional benefits period under paragraph (2), the State agency may—

(A) require the household to cooperate in a recertification of eligibility; and

(B) initiate a new certification period for the household without regard to whether the preceding certification period has expired.

(5) Limitation

A household shall not be eligible for transitional benefits under this subsection if the household—

(A) loses eligibility under section 2015 of this title;

(B) is sanctioned for a failure to perform an action required by Federal, State, or local law relating to a cash assistance program described in paragraph (1); or

(C) is a member of any other category of households designated by the State agency as ineligible for transitional benefits.

(6) Applications for recertification

(A) In general

A household receiving transitional benefits under this subsection may apply for recertification at any time during the transitional benefits period under paragraph (2).

(B) Determination of allotment

If a household applies for recertification under subparagraph (A), the allotment of the

household for all subsequent months shall be determined without regard to this subsection.

(t) Grants for simple application and eligibility determination systems and improved access to benefits

(1) In general

For each of fiscal years 2003 through 2007, the Secretary shall use not more than \$5,000,000 of funds made available under section 2027(a)(1) of this title to make grants to pay 100 percent of the costs of eligible entities approved by the Secretary to carry out projects to develop and implement—

(A) simple food stamp application and eligibility determination systems; or

(B) measures to improve access to food stamp benefits by eligible households.

(2) Types of projects

A project under paragraph (1) may consist of—

(A) coordinating application and eligibility determination processes, including verification practices, under the food stamp program and other Federal, State, and local assistance programs;

(B) establishing methods for applying for benefits and determining eligibility that—

(i) more extensively use—

(I) communications by telephone; and

(II) electronic alternatives such as the Internet; or

(ii) otherwise improve the administrative infrastructure used in processing applications and determining eligibility;

(C) developing procedures, training materials, and other resources aimed at reducing barriers to participation and reaching eligible households;

(D) improving methods for informing and enrolling eligible households; or

(E) carrying out such other activities as the Secretary determines to be appropriate.

(3) Limitation

A grant under this subsection shall not be made for the ongoing cost of carrying out any project.

(4) Eligible entities

To be eligible to receive a grant under this subsection, an entity shall be—

(A) a State agency administering the food stamp program;

(B) a State or local government;

(C) an agency providing health or welfare services;

(D) a public health or educational entity; or

(E) a private nonprofit entity such as a community-based organization, food bank, or other emergency feeding organization.

(5) Selection of eligible entities

The Secretary—

(A) shall develop criteria for the selection of eligible entities to receive grants under this subsection; and

(B) may give preference to any eligible entity that consists of a partnership between a

governmental entity and a nongovernmental entity.

(u) Agreement for direct certification and co-operation

(1) In general

Each State agency shall enter into an agreement with the State agency administering the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(2) Contents

The agreement shall establish procedures that ensure that—

(A) any child receiving benefits under this chapter shall be certified as eligible for free lunches under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application; and

(B) each State agency shall cooperate in carrying out paragraphs (3)(F) and (4) of section 9(b) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)).

(Pub. L. 88-525, §11, Aug. 31, 1964, 78 Stat. 707; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 969; Pub. L. 96-249, title I, §§113, 116-120, 122, 123, May 26, 1980, 94 Stat. 361-363; Pub. L. 97-35, title I, §111(a), Aug. 13, 1981, 95 Stat. 362; Pub. L. 97-98, title XIII, §§1316-1320(a), 1321-1323, Dec. 22, 1981, 95 Stat. 1286, 1287; Pub. L. 97-253, title I, §§166-174, 180(b)(1), 189(b)(2), 190(c)(1), Sept. 8, 1982, 96 Stat. 779, 780, 783, 787; Pub. L. 98-204, §7, Dec. 2, 1983, 97 Stat. 1386; Pub. L. 98-369, div. B, title VI, §2651(i), July 18, 1984, 98 Stat. 1150; Pub. L. 99-198, title XV, §§1507(b), 1517(b), 1525-1531(a), (b), 1535(b)(1), 1537(b), (c), Dec. 23, 1985, 99 Stat. 1568, 1576, 1580-1582, 1584, 1586, 1587; Pub. L. 100-77, title VIII, §§808(a), 809(a), July 22, 1987, 101 Stat. 536; Pub. L. 100-435, title II, §204(a), title III, §§310, 311, 320, 321(a), 322, 323, 330, 352, Sept. 19, 1988, 102 Stat. 1657, 1660-1662, 1665; Pub. L. 101-624, title XVII, §§1736-1741, 1763(b), Nov. 28, 1990, 104 Stat. 3793, 3794, 3806; Pub. L. 102-237, title IX, §941(5), (6), Dec. 13, 1991, 105 Stat. 1892; Pub. L. 103-66, title XIII, §13941(a), Aug. 10, 1993, 107 Stat. 676; Pub. L. 103-296, title I, §108(f)(2), (3), Aug. 15, 1994, 108 Stat. 1487; Pub. L. 104-66, title I, §1011(x), Dec. 21, 1995, 109 Stat. 711; Pub. L. 104-193, title VIII, §§809(b), 819(b), 835-840, 844(b), 848(b)(1), 854(b), Aug. 22, 1996, 110 Stat. 2313, 2320, 2329-2331, 2333, 2334, 2342; Pub. L. 105-33, title I, §§1003(a)(1), (2), (b), 1004, Aug. 5, 1997, 111 Stat. 255, 256; Pub. L. 105-379, §1(a), Nov. 12, 1998, 112 Stat. 3399; Pub. L. 107-171, title IV, §§4114(a), 4115(a), 4116(a), May 13, 2002, 116 Stat. 314, 315; Pub. L. 108-265, title I, §104(b)(2), June 30, 2004, 118 Stat. 737.)

REFERENCES IN TEXT

The Indian Self-Determination Act (25 U.S.C. 450), referred to in subsec. (d), is title I of Pub. L. 93-638, Jan. 4, 1975, 88 Stat. 2203, as amended, which is classified principally to part A (§450f et seq.) of subchapter II of chapter 14 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 450 of Title 25 and Tables.

The Immigration and Nationality Act, referred to in subsec. (e)(16), is act June 27, 1952, ch. 477, 66 Stat. 163, as amended, which is classified principally to chapter

12 (§1101 et seq.) of Title 8, Aliens and Nationality. For complete classification of this Act to the Code, see Short Title note set out under section 1101 of Title 8 and Tables.

The Federal Advisory Committee Act, referred to in subsec. (o)(1), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

The Social Security Act, referred to in subsec. (s)(1), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Richard B. Russell National School Lunch Act, referred to in subsec. (u), is act June 4, 1946, ch. 281, 60 Stat. 230, as amended, which is classified generally to chapter 13 (§1751 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of Title 42 and Tables.

The Child Nutrition Act of 1966, referred to in subsec. (u)(2)(A), is Pub. L. 89-642, Oct. 11, 1966, 80 Stat. 885, as amended, which is classified generally to chapter 13A (§1771 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 1771 of Title 42 and Tables.

AMENDMENTS

2004—Subsec. (u). Pub. L. 108-265 added subsec. (u).

2002—Subsec. (e)(2)(B)(ii). Pub. L. 107-171, §4114(a), designated existing provisions as subcl. (I) and added subcl. (II).

Subsec. (s). Pub. L. 107-171, §4115(a), added subsec. (s).

Subsec. (t). Pub. L. 107-171, §4116(a), added subsec. (t).

1998—Subsec. (r). Pub. L. 105-379 added subsec. (r).

1997—Subsec. (e)(8)(E). Pub. L. 105-33, §1003(a)(2), substituted “paragraph (16) or (20)(B)” for “paragraph (16)”.

Subsec. (e)(20). Pub. L. 105-33, §1003(a)(1), added par. (20) and struck out former par. (20) which read as follows: “that the State agency shall establish a system and take action on a periodic basis to verify and otherwise assure that an individual does not receive coupons in more than one jurisdiction within the State;”.

Subsec. (f). Pub. L. 105-33, §1004, inserted subsec. heading, designated existing provisions as par. (1), inserted par. heading, and added par. (2).

Subsec. (q). Pub. L. 105-33, §1003(b), added subsec. (q).

1996—Subsec. (e)(2). Pub. L. 104-193, §835(1)(A), added par. (2) and struck out former par. (2) which required that each State plan of operation was to provide that each household which contacted food stamp office in person during office hours to make what could reasonably be interpreted as oral or written request for food stamp assistance was to receive and be permitted to file, on same day that such contact was first made, simplified, uniform national application form for participation in food stamp program.

Subsec. (e)(3). Pub. L. 104-193, §§809(b), 835(1)(B), substituted “shall” for “shall—” after “and that the State agency”, struck out “(A)” before “provide each applicant household” and struck out subpars. (B) to (E) and concluding provisions which provided that State agency was to assist each applicant household in obtaining appropriate verification and completing application process, not require any household to submit additional proof of matter on which State agency already had current verification, not deny any application for participation solely because of failure of person outside household to cooperate, process applications if household complied with requirements of first sentence of section 2015(c) of this title by taking appropriate steps to verify information otherwise required to be verified under this chapter, provide household, at time of each certification and recertification, with statement describing reporting responsibilities of household under this chapter, and provide toll-free or local telephone number, or

telephone number at which collect calls would be accepted by State agency, at which household could reach appropriate representative of State agency.

Subsec. (e)(6). Pub. L. 104-193, §836, substituted “(6) that—” for “(6) that”, realigned margins of subpars. (A) and (B), in subpar. (B) substituted “Office of Personnel Management” for “United States Civil Service Commission”, and struck out subpars. (C) to (E) which read as follows: “(C) the State agency shall provide a continuing, comprehensive program of training for all personnel undertaking such certification so that eligible households are promptly and accurately certified to receive the allotments for which they are eligible under this chapter; (D) the State agency, at its option, may undertake intensive training to ensure that State agency personnel who undertake the certification of households that include a member who engages in farming are qualified to perform such certification; and (E) at its option, the State agency may provide, or contract for the provision of, training and assistance to persons working with volunteer or nonprofit organizations that provide program information activities or eligibility screening to persons potentially eligible for food stamps;”.

Subsec. (e)(8). Pub. L. 104-193, §§837, 844(b), in introductory provisions, substituted “except that—” for “except that”, in subpar. (A), realigned margin, substituted “the safeguards” for “such safeguards” and semicolon for comma at end, in subpar. (B), realigned margin and substituted “chapter;” for “chapter, and”, in subpar. (C), realigned margin, substituted “the safeguards” for “such safeguards”, struck out “and excluding claims arising from an error of the State agency, that has not been recovered pursuant to such section” before “, from Federal pay”, and inserted before semicolon at end “or a Federal income tax refund as authorized by section 3720A of title 31”, and added subpars. (D) and (E).

Subsec. (e)(9). Pub. L. 104-193, §838, in subpar. (A), substituted “7 days” for “five days”, redesignated subpar. (C) as (B), substituted “7 days” for “five days”, and struck out former subpar. (B) which read as follows: “provide coupons no later than five days after the date of application to any household in which all members are homeless individuals and that meets the income and resource criteria for coupons under this chapter;”, and redesignated subpar. (D) as (C) and substituted “or (B)” for “, (B), or (C)”.

Subsec. (e)(10). Pub. L. 104-193, §839, inserted before semicolon at end a period and “At the option of a State, at any time prior to a fair hearing determination under this paragraph, a household may withdraw, orally or in writing, a request by the household for the fair hearing. If the withdrawal request is an oral request, the State agency shall provide a written notice to the household confirming the withdrawal request and providing the household with an opportunity to request a hearing”.

Subsec. (e)(14). Pub. L. 104-193, §835(1)(C), (D)(i), redesignated par. (15) as (14) and struck out former par. (14) which read as follows: “that the State agency shall prominently display in all food stamp and public assistance offices posters prepared or obtained by the Secretary describing the information contained in subparagraphs (A) through (D) of this paragraph and shall make available in such offices for home use pamphlets prepared or obtained by the Secretary listing (A) foods that contain substantial amounts of recommended daily allowances of vitamins, minerals, and protein for children and adults; (B) menus that combine such foods into meals; (C) details on eligibility for other programs administered by the Secretary that provide nutrition benefits; and (D) general information on the relationship between health and diet;”.

Subsec. (e)(15) to (17). Pub. L. 104-193, §835(1)(D)(i), redesignated pars. (16) to (18) as (15) to (17), respectively. Former par. (15) redesignated (14).

Subsec. (e)(18). Pub. L. 104-193, §840, substituted “at the option of the State agency, that information may be” for “that information is” and “may be requested” for “shall be requested”.

Pub. L. 104-193, § 835(1)(D)(i), redesignated par. (19) as (18). Former par. (18) redesignated (17).

Subsec. (e)(19) to (22). Pub. L. 104-193, § 835(1)(D)(i), redesignated pars. (20) to (23) as (19) to (22), respectively. Former par. (19) redesignated (18).

Subsec. (e)(23). Pub. L. 104-193, §§ 819(b)(1), 835(1)(D)(i), redesignated par. (24) as (23) and struck out “and” at end. Former par. (23) redesignated (22).

Subsec. (e)(24). Pub. L. 104-193, § 835(1)(D)(ii), redesignated par. (26) as (24). Former par. (24) redesignated (23).

Subsec. (e)(25). Pub. L. 104-193, § 854(b), added par. (25).

Pub. L. 104-193, §§ 819(b)(2), 835(1)(C), substituted semicolon for concluding period and struck out par. (25) which read as follows: “a procedure for designating project areas or parts of project areas that are rural and in which low-income persons face substantial difficulties in obtaining transportation. The State agency shall designate the areas according to procedures approved by the Secretary. In each area so designated, the State agency shall provide for the issuance of coupons by mail to all eligible households in the area, except that any household with mail losses exceeding levels established by the Secretary shall not be entitled to such a mailing and the State agency shall not be required to issue coupons by mail in those localities within such area where the mail loss rates exceed standards set by the Secretary.”

Subsec. (e)(26). Pub. L. 104-193, § 835(1)(D)(ii), redesignated par. (26) as (24).

Pub. L. 104-193, § 819(b)(3), added par. (26).

Subsec. (g). Pub. L. 104-193, § 848(b)(1), in first sentence, struck out “the Secretary’s standards for the efficient and effective administration of the program established under section 2025(b)(1) of this title or” before “the requirements established pursuant to section 2032”.

Subsec. (i). Pub. L. 104-193, § 835(2)(A), inserted subsec. heading.

Subsec. (i)(1). Pub. L. 104-193, § 835(2)(A), designated portion of existing provisions as par. (1), inserted heading, and substituted “Notwithstanding any other provision of law,” for “Notwithstanding any other provision of law, the Secretary, the Commissioner of Social Security and the Secretary of Health and Human Services shall develop a system by which (1) a single interview shall be conducted to determine eligibility for the food stamp program and the aid to families with dependent children program under part A of title IV of the Social Security Act; (2)”.

Subsec. (i)(2). Pub. L. 104-193, § 835(2)(B), substituted a period, par. (2) designation, heading, and “Except in a case of disqualification as a penalty for failure to comply with a public assistance program rule or regulation, no” for “; (3) households in which all members are included in a federally aided public assistance or State or local general assistance grant in a State that has a single State-wide general assistance application form shall have their application for participation in the food stamp program contained in the public assistance or general assistance application form, and households applying for a local general assistance grant in a local jurisdiction in which the agency administering the general assistance program also administers the food stamp program shall be provided an application for participation in the food stamp program at the time of their application for general assistance, along with information concerning how to apply for the food stamp program; and (4) new applicants, as well as households which have recently lost or been denied eligibility for public assistance or general assistance, shall be certified for participation in the food stamp program based on information in the public assistance or general assistance case file to the extent that reasonably verified information is available in such case file. In addition to implementing paragraphs (1) through (4), the State agency shall inform applicants for benefits under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that such applicants may file, along with their application for such benefits, an application

for benefits under this chapter, and that if such applicants file, they shall have a single interview for food stamps and for benefits under part A of title IV of the Social Security Act. No”.

Subsec. (p). Pub. L. 104-193, § 840(2), added subsec. (p). 1995—Subsec. (l). Pub. L. 104-66 struck out “, and shall, upon completion of the audit, provide a report to Congress of its findings and recommendations within one hundred and eighty days” after “within that State” in first sentence.

1994—Subsec. (i). Pub. L. 103-296, § 108(f)(3), inserted “, the Commissioner of Social Security” after “the Secretary” in first sentence.

Subsec. (j). Pub. L. 103-296, § 108(f)(2), substituted “Commissioner of Social Security” for “Secretary of Health and Human Services” wherever appearing.

1993—Subsec. (e)(8)(C). Pub. L. 103-66 added cl. (C).

1991—Subsec. (b). Pub. L. 102-237, § 941(6), redesignated subsec. (p) as (b) and transferred it to follow subsec. (a).

Subsec. (e)(2). Pub. L. 102-237, § 941(5)(A), substituted a semicolon for period at end.

Subsec. (e)(3)(D). Pub. L. 102-237, § 941(5)(B)(i), substituted “section 2015 of this title” for “section 2015 of this title”.

Subsec. (e)(3)(E). Pub. L. 102-237, § 941(5)(B)(ii), made technical amendment to clarify alignment of margin of concluding provisions.

Subsec. (e)(15). Pub. L. 102-237, § 941(5)(C), substituted a semicolon for period at end.

Subsec. (p). Pub. L. 102-237, § 941(6), redesignated subsec. (p) as (b) and transferred it to follow subsec. (a).

1990—Subsec. (e)(2). Pub. L. 101-624, § 1736(1), substituted “on or near its front cover) explanations” for “instructions” in third sentence.

Pub. L. 101-624, § 1736(2), substituted “The State agency shall require that an adult representative of each household that is applying for food stamp benefits shall certify in writing, under penalty of perjury, that the information contained in the application is true and that all members of the household are either citizens or are aliens eligible to receive food stamps under section 2015(f) of this title. The signature of the adult under this section shall be deemed sufficient to comply with any provision of Federal law requiring household members to sign the application or statements in connection with the application process.” for “One adult member of a household that is applying for a coupon allotment shall be required to certify in writing, under penalty of perjury, the truth of the information contained in the application for the allotment.”

Subsec. (e)(3)(E). Pub. L. 101-624, § 1737, inserted before semicolon at end a period followed by “Under rules prescribed by the Secretary, a State agency shall develop standard estimates of the shelter expenses that may reasonably be expected to be incurred by households in which all members are homeless but that are not receiving free shelter throughout the month. The Secretary may issue regulations to preclude the use of the estimates for households with extremely low shelter costs for whom the following sentence shall not apply. A State agency shall use the estimates in determining the allotments of the households, unless a household verifies higher expenses”.

Subsec. (e)(21). Pub. L. 101-624, § 1738(1), struck out “and” after “within the State”.

Subsec. (e)(22). Pub. L. 101-624, § 1738(2), substituted semicolon for period at end.

Subsec. (e)(25). Pub. L. 101-624, § 1738(3)–(5), added par. (25).

Subsec. (f). Pub. L. 101-624, § 1739, inserted first sentence and struck out former first sentence which read as follows: “To encourage the purchase of nutritious foods, the Secretary is authorized to extend food and nutrition education to reach food stamp program participants, using the methods and techniques developed in the expanded food and nutrition education and other programs.”

Subsec. (g). Pub. L. 101-624, § 1763(b), inserted “or the requirements established pursuant to section 2032 of this title” after “section 2025(b)(1) of this title” in first sentence.

Subsec. (i)(3). Pub. L. 101-624, §1740, inserted “in a State that has a single State-wide general assistance application form” after “grant” and inserted before semicolon at end “, and households applying for a local general assistance grant in a local jurisdiction in which the agency administering the general assistance program also administers the food stamp program shall be provided an application for participation in the food stamp program at the time of their application for general assistance, along with information concerning how to apply for the food stamp program”.

Subsec. (j)(1). Pub. L. 101-624, §1741, inserted “supplemental security income or” after “recipient of”.

1988—Subsec. (e)(1)(A). Pub. L. 100-435, §204(a), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “not conduct food stamp outreach activities with funds provided under this chapter except, at the option of the State agency, food stamp informational activities directed at homeless individuals; and”.

Subsec. (e)(2). Pub. L. 100-435, §310, inserted provisions relating to brief, simply-written, and readable application forms.

Pub. L. 100-435, §330, substituted “The State agency shall waive in-office interviews, on a household’s request, if a household is unable to appoint an authorized representative pursuant to paragraph (7) and has no adult household members able to come to the appropriate State agency office because such members are elderly, are mentally or physically handicapped, live in a location not served by a certification office, or have transportation difficulties or similar hardships as determined by the State agency (including hardships due to residing in a rural area, illness, care of a household member, prolonged severe weather, or work or training hours). If an in-office interview is waived, the State agency may conduct a telephone interview or a home visit. The State agency shall provide for telephone contact by, mail delivery of forms to, and mail return of forms by, households that have transportation difficulties or similar hardships.” for “The State agency shall comply with the standards established by the Secretary for telephone contact by, mail delivery of forms to and mail return of forms by, and subsequent home or telephone interview with, the elderly, physically or mentally handicapped, and persons otherwise unable, solely because of transportation difficulties and similar hardships, to appear in person at a certification office or through a representative pursuant to paragraph (7) of this subsection, so that such persons may have an adequate opportunity to be certified properly;”.

Subsec. (e)(3). Pub. L. 100-435, §323, inserted provisions at end relating to dissemination of statements describing reporting responsibilities and telephone number to call State agency.

Pub. L. 100-435, §311, inserted cls. (A) to (E).

Subsec. (e)(6)(C). Pub. L. 100-435, §322(a), substituted “shall provide” for “shall undertake to provide” and inserted “so that eligible households are promptly and accurately certified to receive the allotments for which they are eligible under this chapter” after “such certification”.

Subsec. (e)(6)(D). Pub. L. 100-435, §321(a), added cl. (D).

Subsec. (e)(6)(E). Pub. L. 100-435, §322(b), added cl. (E).

Subsec. (i). Pub. L. 100-435, §352, amended second sentence generally. Prior to amendment, second sentence read as follows: “Each State agency shall implement clauses (1) and (2) and may implement clause (3) or (4), or both such clauses.”

Subsec. (p). Pub. L. 100-435, §320, added subsec. (p).

1987—Subsec. (e)(1)(A). Pub. L. 100-77, §808(a), inserted “except, at the option of the State agency, food stamp informational activities directed at homeless individuals” after “this chapter”.

Subsec. (e)(9). Pub. L. 100-77, §809(a), added subpars. (B) and (C), redesignated former subpar. (B) as (D), and directed the substitution of “a household referred to in subparagraph (A), (B), or (C)” for “the household” which was executed by making the substitution for the

first reference to “the household” as the probable intent of Congress.

1985—Subsec. (e)(2). Pub. L. 99-198, §1529, inserted provision directing the State agency to provide a method of certifying and issuing coupons to eligible households that do not reside in permanent dwellings or who do not have fixed mailing addresses and to take such steps as are necessary to ensure that participation in the food stamp program is limited to eligible households.

Pub. L. 99-198, §1525, inserted requirement that one adult member of a household that is applying for a coupon allotment certify in writing, under penalty of perjury, the truth of the information contained in the application for the allotment.

Subsec. (e)(3). Pub. L. 99-198, §1527, struck out “only” after “verification”, inserted “, household size (in any case such size is questionable,)”, and substituted “such other eligibility factors as the State agency determines are necessary” for “any factors of eligibility involving households that fall within the State agency’s error-prone household profiles as developed by the State agency from the error rate reduction system conducted under section 2025 of this title and as approved by the Secretary”.

Subsec. (e)(16). Pub. L. 99-198, §1528, substituted “fourth sentence” for “last sentence”, inserted “and would be cost effective” after “integrity”, and inserted provision authorizing the State agency to permit a member of a household to comply with this paragraph by presenting a photographic identification card used to receive assistance under a welfare or public assistance program.

Subsec. (e)(22). Pub. L. 99-198, §1517(b), added par. (22).

Subsec. (e)(23). Pub. L. 99-198, §1526, added par. (23).

Subsec. (e)(24). Pub. L. 99-198, §1535(b)(1), added par. (24).

Subsec. (f). Pub. L. 99-198, §1530, inserted provisions directing State agencies to encourage food stamp program participants to participate in the expanded food and nutrition education program conducted under section 343(d) of this title and any program established under sections 3175a through 3175e of this title and, at the request of personnel of such education program, allow personnel and information materials of such education program to be placed in food stamp offices.

Subsec. (g). Pub. L. 99-198, §1537(c), inserted “the State plan for automated data processing submitted pursuant to subsection (o)(2) of this section,” and substituted “sections 2025(a), 2025(c), and 2025(g) of this title” for “sections 2025(a) and 2025(c) of this title”.

Subsec. (i). Pub. L. 99-198, §1531(a), in cl. (2) of first sentence, inserted “applicants for or” after “members are” and substituted “informed of the availability of benefits under the food stamp program and be assisted in making a simple application to participate in such program” for “permitted to apply for participation in the food stamp program by executing a simple application”, effective Oct. 1, 1986.

Pub. L. 99-198, §1507(b), inserted sentence directing that no household shall have its application to participate in the food stamp program denied nor its benefits under the food stamp program terminated solely on the basis that its application to participate has been denied or its benefits have been terminated under any of the programs carried out under the statutes specified in the second sentence of section 2014(a) of this title and without a separate determination by the State agency that the household fails to satisfy the eligibility requirements for participation in the food stamp program.

Subsec. (j). Pub. L. 99-198, §1531(b), amended subsec. (j) generally, effective Oct. 1, 1986. Prior to amendment, subsec. (j) read as follows: “The Secretary, in conjunction with the Secretary of Health and Human Services, is authorized to prescribe regulations permitting applicants for and recipients of social security benefits to apply for food stamps at social security offices and be certified for food stamp eligibility in such offices in order that the application and certification for food stamp assistance may be accomplished as efficiently and conveniently as possible.”

Subsec. (o). Pub. L. 99-198, § 1537(b), added subsec. (o). 1984—Subsec. (e)(19). Pub. L. 98-369 amended par. (19) generally. Prior to amendment, par. (19) read as follows: “that—

“(A) in any case in which information is available from agencies administering State unemployment compensation laws under section 303(d) of the Social Security Act (42 U.S.C. 503(d)), the information shall be requested and utilized by the State agency to the extent permitted under such section; or

“(B) in any case in which information is not available from agencies administering State unemployment compensation laws under section 303(d) of the Social Security Act—

“(i) information available from the Social Security Administration under section 6103(l)(7) of title 26 shall be requested and utilized by the State agency to the extent permitted under such section; or

“(ii) similar information available from other sources shall be requested and utilized by the State agency to the extent approved by the Secretary and permitted by any law controlling access to the information;”.

1983—Subsec. (e)(19). Pub. L. 98-204 amended par. (19) generally. Prior to amendment, par. (19) read as follows: “that information available from the Social Security Administration under the provisions of section 6103(i)(7) of title 26, and information available from agencies administering State unemployment compensation laws under the provisions of section 303(d) of the Social Security Act, shall be requested and utilized by the State agency (described in section 2012(n)(1) of this title), to the extent permitted under the provisions of such sections, except that the State agency shall not be required to request such information from the Social Security Administration if such information is available from the agency administering the State unemployment compensation laws;”.

1982—Subsec. (d). Pub. L. 97-253, § 166, inserted provision that the Secretary may not, as a part of the approval process for a plan of operation, require a State to submit for prior approval by the Secretary the State agency instructions to staff, interpretations of existing policy, State agency methods of administration, forms used by the State agency, or any materials, documents, memoranda, bulletins, or other matter, unless the State determines that the materials, documents, memoranda, bulletins, or other matter alter or amend the State plan of operation or conflict with the rights and levels of benefits to which a household is entitled.

Subsec. (e)(2). Pub. L. 97-253, § 167(a), struck out “points and hours of certification, and for” after “Secretary for” in last sentence.

Subsec. (e)(3). Pub. L. 97-253, § 180(b)(1), substituted “section 2025(e) of this title” for “subsections (h) and (i) of section 2025 of this title” and “error rate reduction system” for “quality control program”, respectively.

Subsec. (e)(7). Pub. L. 97-253, § 168, substituted “an” for “any” wherever appearing and inserted provision that the Secretary may restrict the number of households which may be represented by an individual and otherwise establish criteria and verification standards for representation under this paragraph.

Subsec. (e)(8). Pub. L. 97-253, § 169, substituted “, regulations issued pursuant to this chapter, Federal assistance programs, or federally assisted State programs” for “or the regulations issued pursuant to this chapter”.

Subsec. (e)(9). Pub. L. 97-253, § 170, added par. (9). Former par. (9), which required that the State plan of operation provide that households in immediate need because of no income as defined in section 2014(d) and (e) of this title would receive coupons on an expedited basis, was struck out.

Subsec. (e)(10). Pub. L. 97-253, § 171, inserted provision that in any case in which the State agency receives from the household a written statement containing information that clearly requires a reduction or termination of the household’s benefits, the State agency

may act immediately to reduce or terminate the household’s benefits and may provide notice of its action to the household as late as the date on which the action becomes effective.

Subsec. (e)(13). Pub. L. 97-253, §§ 167(b), 190(c)(1), redesignated par. (14) as (13) and struck out former par. (13) which provided that the State plan of operation provide for compliance with standards set by the Secretary with respect to points and hours of coupon issuance.

Subsec. (e)(14) to (21). Pub. L. 97-253, § 190(c)(1), redesignated pars. (14) to (22) as (13) to (21), respectively.

Subsec. (e)(22). Pub. L. 97-253, §§ 172, 190(c)(1), added par. (22) and redesignated it as par. (21).

Subsec. (i). Pub. L. 97-253, §§ 173, 189(b)(2)(A), inserted provision requiring each State agency to implement pars. (1) and (2), and permitting each such agency to implement either par. (3) or (4), or both, and substituted reference to the Secretary of Health and Human Services for former reference to the Secretary of Health, Education, and Welfare.

Subsec. (j). Pub. L. 97-253, § 189(b)(2)(B), substituted reference to the Secretary of Health and Human Services for former reference to the Secretary of Health, Education, and Welfare.

Subsec. (n). Pub. L. 97-253, § 174, added subsec. (n).

1981—Subsec. (b). Pub. L. 97-98, § 1316, struck out subsec. (b) which provided that certification of a household as eligible in any political subdivision, in the event of removal of such household to another political subdivision in which the food stamp program is operating, remains valid for participation in the food stamp program for a period of sixty days from the date of such removal.

Subsec. (e)(1). Pub. L. 97-35 added cl. (A) and redesignated cl. (C) as (B). Former cls. (A) and (B), relating to informing low-income households about the program, and conducting other outreach activities, respectively, were struck out.

Subsec. (e)(2). Pub. L. 97-98, § 1317, inserted provision that the application contain in understandable terms and in prominent and boldface lettering a statement that the information provided by the applicant is subject to verification and if incorrect the applicant may be subject to denial of food stamps and criminal prosecution.

Subsec. (e)(4). Pub. L. 97-98, § 1318, substituted “prior to” for “immediately prior to or at” and “advising the household” for “advising it”.

Subsec. (e)(8). Pub. L. 97-98, § 1319, inserted provision that such safeguards not prevent the use or disclosure of such information to the Comptroller General of the United States for audit and examination authorized by any other provision of law and that, notwithstanding any other provision of law, all information obtained under this chapter from an applicant household be available to local, State, or Federal law enforcement officials for the purpose of investigating an alleged violation of this chapter or any regulation issued under this chapter.

Subsec. (e)(11). Pub. L. 97-98, § 1320(a), inserted provision that allotments not be restored for any period of time more than one year prior to the date the State agency receives a request for such restoration from a household or the State agency is notified or otherwise discovers that a loss to a household has occurred.

Subsec. (e)(20), (21). Pub. L. 97-98, § 1321, added pars. (20) and (21).

Subsec. (f). Pub. L. 97-98, § 1322, substituted “is authorized to extend food and nutrition education to reach food stamp participants, using methods and techniques developed in the expanded food and nutrition education and other programs” for “shall extend the expanded food and nutrition education program to the greatest extent possible to reach food stamp program participants” and struck out provision that the program be supplemented by the development of single concept printed materials, specifically designed for persons with low reading and comprehension levels, on how to buy and prepare more nutritious and economical meals and on the relationship between food and good health.

Subsec. (m). Pub. L. 97-98, §1323, added subsec. (m).
 1980—Subsec. (e)(3). Pub. L. 96-249, §116, inserted “(in part through the use of the information, if any, obtained under subsections (h) and (i) of section 2025 of this title)” after “section 2014(d) of this title” and “although the State agency may verify prior to certification, whether questionable or not, the size of any applicant household and any factors of eligibility involving households that fall within the State agency’s error-prone household profiles as developed by the State agency from the quality control program conducted under section 2025 of this title and as approved by the Secretary” after “sections 2014 and 2015 of this title.”.

Subsec. (e)(4). Pub. L. 96-249, §113, inserted proviso that the timeliness standards for submitting the notice of expiration and filing an application for recertification may be modified by the Secretary in light of sections 2014(f)(2) and 2015(c) of this title if administratively necessary.

Subsec. (e)(17) to (19). Pub. L. 96-249, §§117-119, added pars. (17) to (19).

Subsec. (g). Pub. L. 96-249, §120, inserted “, upon information received by the Secretary, investigation initiated by the Secretary, or investigation that the Secretary shall initiate upon receiving sufficient information evidencing a pattern of lack of compliance by a State agency of a type specified in this subsection,” after “the Secretary determines”, “without good cause” after “to comply”, “or the Secretary’s standards for the efficient and effective administration of the program established under section 2025(b)(1) of this title” after “subsection (d) of this section,”, and “, and whether or not the Secretary refers such matter to the Attorney General, the Secretary shall proceed to withhold from the State such funds authorized under sections 2025(a) and (c) of this title as the Secretary determines to be appropriate, subject to administrative and judicial review under section 2023 of this title” after “relief shall issue”.

Subsec. (i)(2). Pub. L. 96-249, §122, substituted “simple application” for “simplified affidavit”.

Subsec. (l). Pub. L. 96-249, §123, added subsec. (l).

1977—Pub. L. 95-113 substituted revised provisions relating to the administration of the program for provisions relating to the disqualification of retail stores and wholesale concerns which are now covered by section 2021 of this title.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-265 effective July 1, 2005, see section 502(b)(4) of Pub. L. 108-265, set out as an Effective Date note under section 1754 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4114(b), May 13, 2002, 116 Stat. 314, provided that: “The amendments made by this section [amending this section] take effect 18 months after the date of enactment of this Act [May 13, 2002].”

Amendment by sections 4115(a) and 4116(a) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105-379, §1(c), Nov. 12, 1998, 112 Stat. 3399, provided that: “This section [amending this section and enacting provisions set out as a note below] and the amendments made by this section take effect on June 1, 2000.”

EFFECTIVE DATE OF 1997 AMENDMENT

Section 1003(a)(3) of Pub. L. 105-33 provided that:
 “(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection [amending this section] shall take effect on the date

that is 1 year after the date of enactment of this Act [Aug. 5, 1997].

“(B) EXTENSION.—The Secretary of Agriculture may grant a State an extension of time to comply with the amendments made by this subsection, not to exceed beyond the date that is 2 years after the date of enactment of this Act, if the chief executive officer of the State submits a request for the extension to the Secretary—

“(i) stating the reasons why the State is not able to comply with the amendments made by this subsection by the date that is 1 year after the date of enactment of this Act;

“(ii) providing evidence that the State is making a good faith effort to comply with the amendments made by this subsection as soon as practicable; and

“(iii) detailing a plan to bring the State into compliance with the amendments made by this subsection as soon as practicable but not later than the date of the requested extension.”

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1736(1), 1737, 1738, 1740, and 1741 of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, amendment by section 1736(2) of Pub. L. 101-624 effective and implemented first day of month beginning 120 days after promulgation of implementing regulations to be promulgated not later than Apr. 1, 1991, and amendment by sections 1739 and 1763(b) of Pub. L. 101-624 effective Nov. 28, 1990, see section 1781(a), (b)(2), (3) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 to be effective and implemented on July 1, 1989, except that amendment by sections 204(a), 310, 311, 321(a), 322, 323, and 352 of Pub. L. 100-435 to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(b)(4), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Section 809(b) of Pub. L. 100-77 provided that: “The amendments made by this section [amending this section] shall become effective and be implemented as soon as the Secretary of Agriculture determines is practicable after the date of enactment of this Act [July 22, 1987], but not later than 160 days after the date of enactment of this Act.”

EFFECTIVE DATE OF 1985 AMENDMENT

Section 1531(a), (b) of Pub. L. 99-198 provided that the amendments made by that section are effective Oct. 1, 1986.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective Apr. 1, 1985, unless a waiver has been granted to a State to delay effective date but in no event beyond Sept. 30, 1986, see section 2651(d)(2) of Pub. L. 98-369, set out as a note under section 1320b-7 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendments by sections 166 to 174, 189(b)(2), and 190(c)(1) of Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by section 180(b)(1) of Pub. L. 97-253 effective Oct. 1, 1982, see section 193(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENTS

Amendment by Pub. L. 97-35 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title, see section 192(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-35 effective and implemented upon such dates as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

REGULATIONS

Secretary of Agriculture to promulgate regulations necessary to implement amendment of this section by Pub. L. 105-33, not later than one year after Aug. 5, 1997, see §1005(a) of Pub. L. 105-33 set out as a note under section 2015 of this title.

ABOLITION OF IMMIGRATION AND NATURALIZATION SERVICE AND TRANSFER OF FUNCTIONS

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

REPORT

Pub. L. 105-379, §1(b), Nov. 12, 1998, 112 Stat. 3399, provided that: "Not later than September 1, 2000, the Secretary of Agriculture shall submit a report regarding the progress and effectiveness of the cooperative arrangements entered into by State agencies under section 11(r) of the Food Stamp Act of 1977 (7 U.S.C. 2020(r)) (as added by subsection (a)) to—

- "(1) the Committee on Agriculture of the House of Representatives;
- "(2) the Committee on Agriculture, Nutrition, and Forestry of the Senate;
- "(3) the Committee on Ways and Means of the House of Representatives;
- "(4) the Committee on Finance of the Senate; and
- "(5) the Secretary of the Treasury."

AUDIT OF SIMPLIFIED FOOD STAMP APPLICATION AT SOCIAL SECURITY ADMINISTRATION OFFICES

Section 1742 of Pub. L. 101-624 directed Comptroller General to conduct an audit of programs established

under 7 U.S.C. 2020(i) and (j) under which an applicant for or recipient of social security benefits may make or be provided a simple application to participate in the food stamp program at social security offices, and, not later than Dec. 31, 1991, deliver a report on results of study to Committee on Agriculture of House of Representatives, Committee on Agriculture, Nutrition, and Forestry of Senate, and Special Committee on Aging of Senate.

EX. ORD. NO. 12116. ISSUANCE OF FOOD STAMPS BY POSTAL SERVICE

Ex. Ord. No. 12116, Jan. 19, 1979, 44 F.R. 4647, provided: By the authority vested in me as President of the United States of America by Section 11(k) of the Food Stamp Act of 1977 (91 Stat. 974; 7 U.S.C. 2020(k)), the United States Postal Service is hereby granted approval for post offices in all or part of any State to issue food stamps to eligible households, upon request by the appropriate State agency, as defined in Section 3(n) of the Food Stamp Act of 1977 (91 Stat. 960; 7 U.S.C. 2012(n)).

JIMMY CARTER.

§ 2021. Civil money penalties and disqualification of retail food stores and wholesale food concerns

(a) Disqualification or civil penalty

Any approved retail food store or wholesale food concern may be disqualified for a specified period of time from further participation in the food stamp program, or subjected to a civil money penalty of up to \$10,000 for each violation if the Secretary determines that its disqualification would cause hardship to food stamp households, on a finding, made as specified in the regulations, that such store or concern has violated any of the provisions of this chapter or the regulations issued pursuant to this chapter. Regulations issued pursuant to this chapter shall provide criteria for the finding of a violation and the suspension or disqualification of a retail food store or wholesale food concern on the basis of evidence that may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through a transaction report under an electronic benefit transfer system.

(b) Period of disqualification

Disqualification under subsection (a) of this section shall be—

- (1) for a reasonable period of time, of no less than six months nor more than five years, upon the first occasion of disqualification;
- (2) for a reasonable period of time, of no less than twelve months nor more than ten years, upon the second occasion of disqualification;
- (3) permanent upon—

(A) the third occasion of disqualification;

(B) the first occasion or any subsequent occasion of a disqualification based on the purchase of coupons or trafficking in coupons or authorization cards by a retail food store or wholesale food concern, except that the Secretary shall have the discretion to impose a civil money penalty of up to \$20,000 for each violation (except that the amount of civil money penalties imposed for violations occurring during a single investigation may not exceed \$40,000) in lieu of disqualification under this subparagraph, for such purchase of coupons or trafficking in cou-

pons or cards that constitutes a violation of the provisions of this chapter or the regulations issued pursuant to this chapter, if the Secretary determines that there is substantial evidence that such store or food concern had an effective policy and program in effect to prevent violations of the chapter and the regulations, including evidence that—

(i) the ownership of the store or food concern was not aware of, did not approve of, did not benefit from, and was not involved in the conduct of the violation; and

(ii)(I) the management of the store or food concern was not aware of, did not approve of, did not benefit from, and was not involved in the conduct of the violation; or

(II) the management was aware of, approved of, benefited from, or was involved in the conduct of no more than 1 previous violation by the store or food concern; or

(C) a finding of the sale of firearms, ammunition, explosives, or controlled substance (as defined in section 802 of title 21) for coupons, except that the Secretary shall have the discretion to impose a civil money penalty of up to \$20,000 for each violation (except that the amount of civil money penalties imposed for violations occurring during a single investigation may not exceed \$40,000) in lieu of disqualification under this subparagraph if the Secretary determines that there is substantial evidence (including evidence that neither the ownership nor management of the store or food concern was aware of, approved, benefited from, or was involved in the conduct or approval of the violation) that the store or food concern had an effective policy and program in effect to prevent violations of this chapter; and

(4) for a reasonable period of time to be determined by the Secretary, including permanent disqualification, on the knowing submission of an application for the approval or reauthorization to accept and redeem coupons that contains false information about a substantive matter that was a part of the application.

(c) Review

The action of disqualification or the imposition of a civil money penalty shall be subject to review as provided in section 2023 of this title.

(d) Bonds

As a condition of authorization to accept and redeem coupons, the Secretary may require a retail food store or wholesale food concern which has been disqualified or subjected to a civil penalty pursuant to subsection (a) of this section to furnish a bond to cover the value of coupons which such store or concern may in the future accept and redeem in violation of this chapter. The Secretary shall, by regulation, prescribe the amount, terms, and conditions of such bond. If the Secretary finds that such store or concern has accepted and redeemed coupons in violation of this chapter after furnishing such bond, such store or concern shall forfeit to the Secretary an amount of such bond which is equal to the value of coupons accepted and redeemed by such store or concern in violation of this chapter. Such store or concern may obtain a hearing on such forfeiture pursuant to section 2023 of this title.

(e) Transfer of ownership; penalty in lieu of disqualification period; fines for acceptance of loose coupons; judicial action to recover penalty or fine

(1) In the event any retail food store or wholesale food concern that has been disqualified under subsection (a) of this section is sold or the ownership thereof is otherwise transferred to a purchaser or transferee, the person or persons who sell or otherwise transfer ownership of the retail food store or wholesale food concern shall be subjected to a civil money penalty in an amount established by the Secretary through regulations to reflect that portion of the disqualification period that has not yet expired. If the retail food store or wholesale food concern has been disqualified permanently, the civil money penalty shall be double the penalty for a ten-year disqualification period, as calculated under regulations issued by the Secretary. The disqualification period imposed under subsection (b) of this section shall continue in effect as to the person or persons who sell or otherwise transfer ownership of the retail food store or wholesale food concern notwithstanding the imposition of a civil money penalty under this subsection.

(2) At any time after a civil money penalty imposed under paragraph (1) has become final under the provisions of section 2023(a) of this title, the Secretary may request the Attorney General to institute a civil action against the person or persons subject to the penalty in a district court of the United States for any district in which such person or persons are found, reside, or transact business to collect the penalty and such court shall have jurisdiction to hear and decide such action. In such action, the validity and amount of such penalty shall not be subject to review.

(3) The Secretary may impose a fine against any retail food store or wholesale food concern that accepts food coupons that are not accompanied by the corresponding book cover, other than the denomination of coupons used for making change as specified in regulations issued under this chapter. The amount of any such fine shall be established by the Secretary and may be assessed and collected in accordance with regulations issued under this chapter separately or in combination with any fiscal claim established by the Secretary. The Attorney General of the United States may institute judicial action in any court of competent jurisdiction against the store or concern to collect the fine.

(f) Fines for unauthorized third parties that accept food stamps

The Secretary may impose a fine against any person not approved by the Secretary to accept and redeem food coupons who violates any provision of this chapter or a regulation issued under this chapter, including violations concerning the acceptance of food coupons. The amount of any such fine shall be established by the Secretary and may be assessed and collected in accordance with regulations issued under this chapter separately or in combination with any fiscal claim established by the Secretary. The Attorney General of the United States may institute judicial action in any court of competent

jurisdiction against the person to collect the fine.

(g) Disqualification of retailers who are disqualified under WIC program

(1) In general

The Secretary shall issue regulations providing criteria for the disqualification under this chapter of an approved retail food store or a wholesale food concern that is disqualified from accepting benefits under the special supplemental nutrition program for women, infants, and children established under section 1786 of title 42.

(2) Terms

A disqualification under paragraph (1)—

(A) shall be for the same length of time as the disqualification from the program referred to in paragraph (1);

(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

(C) notwithstanding section 2023 of this title, shall not be subject to judicial or administrative review.

(Pub. L. 88-525, §12, Aug. 31, 1964, 78 Stat. 707; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 974; Pub. L. 97-253, title I, §§175, 176(a), Sept. 8, 1982, 96 Stat. 781; Pub. L. 99-198, title XV, §1532(a), Dec. 23, 1985, 99 Stat. 1582; Pub. L. 100-435, title III, §344, Sept. 19, 1988, 102 Stat. 1664; Pub. L. 101-624, title XVII, §§1743-1745, Nov. 28, 1990, 104 Stat. 3795, 3796; Pub. L. 103-66, title XIII, §§13943, 13944, Aug. 10, 1993, 107 Stat. 677; Pub. L. 104-127, title IV, §401(a), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 104-193, title VIII, §§841-843, Aug. 22, 1996, 110 Stat. 2331, 2332.)

AMENDMENTS

1996—Subsec. (a). Pub. L. 104-193, §841, inserted at end “Regulations issued pursuant to this chapter shall provide criteria for the finding of a violation and the suspension or disqualification of a retail food store or wholesale food concern on the basis of evidence that may include facts established through on-site investigations, inconsistent redemption data, or evidence obtained through a transaction report under an electronic benefit transfer system.”

Subsec. (b)(3)(B). Pub. L. 104-127, §401(a), struck out “(including evidence that neither the ownership nor management of the store or food concern was aware of, approved, benefited from, or was involved in the conduct or approval of the violation)” after “substantial evidence” and substituted “, including evidence that—” and cls. (i) and (ii) for “; or”.

Subsec. (b)(4). Pub. L. 104-193, §842, added par. (4).

Subsec. (g). Pub. L. 104-193, §843, added subsec. (g).

1993—Subsec. (b)(3)(B). Pub. L. 103-66, §13943, substituted “for violations occurring during a single investigation” for “during a 2-year period”.

Subsec. (b)(3)(C). Pub. L. 103-66, §13944, substituted “substance (as)” for “substances (as the term is)” and “for violations occurring during a single investigation” for “during a 2-year period”.

1990—Subsec. (b)(3). Pub. L. 101-624, §1743, in subpar. (A) struck out “or” after “disqualification;”, in subpar. (B) inserted “for each violation (except that the amount of civil money penalties imposed during a 2-year period may not exceed \$40,000)” after “\$20,000” and “(including evidence that neither the ownership nor management of the store or food concern was aware of, approved, benefited from, or was involved in the conduct or approval of the violation)” after “evidence”, and substituted “; or” for period at end, and added subpar. (C).

Subsec. (e)(3). Pub. L. 101-624, §1744, added par. (3).

Subsec. (f). Pub. L. 101-624, §1745, added subsec. (f).

1988—Subsec. (b)(3). Pub. L. 100-435 amended par. (3) generally. Prior to amendment, par. (3) read as follows: “permanent upon the third occasion of disqualification or the first occasion of a disqualification based on the purchase of coupons or trafficking in coupons or authorization cards by a retail food store or wholesale food concern.”

1985—Subsec. (e). Pub. L. 99-198 added subsec. (e).

1982—Subsec. (a). Pub. L. 97-253, §175(1)-(3), redesignated first sentence as subsec. (a), substituted “\$10,000” for “\$5,000”, and struck out second sentence relating to disqualification.

Subsec. (b). Pub. L. 97-253, §175(3), added subsec. (b) relating to disqualification.

Subsec. (c). Pub. L. 97-253, §175(4), redesignated last sentence as subsec. (c).

Subsec. (d). Pub. L. 97-253, §176(a), added subsec. (d).

1977—Pub. L. 95-113 substituted revised provisions covering civil money penalties and disqualification of retail food stores and wholesale food concerns for provisions relating to the determination and disposition of claims which are now covered by section 2022 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, see section 1781(a) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, see section 701(a) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

§ 2022. Disposition of claims

(a) General authority of the Secretary

(1) Determination of claims

Except in the case of an at-risk amount required under section 2025(c)(1)(D)(i)(III) of this title, the Secretary shall have the power to determine the amount of and settle and adjust any claim and to compromise or deny all or part of any such claim or claims arising under the provisions of this chapter or the regulations issued pursuant to this chapter, including, but not limited to, claims arising from fraudulent and nonfraudulent overissuances to recipients, including the power to waive claims if the Secretary determines that to do so would serve the purposes of this chapter. Such powers with respect to claims against recipients may be delegated by the Secretary to State agencies. The Secretary shall have the power to reduce amounts otherwise due to a State agency under section 2025 of this title to

collect unpaid claims assessed against the State agency if the State agency has declined or exhausted its appeal rights under section 2023 of this title.

(2) Claims established under quality control system

To the extent that a State agency does not pay a claim established under section 2025(c)(1) of this title, including an agreement to have all or part of the claim paid through a reduction in Federal administrative funding, within 30 days from the date on which the bill for collection is received by the State agency, the State agency shall be liable for interest on any unpaid portion of such claim accruing from the date on which the bill for collection was received by the State agency, unless the State agency appeals the claim under section 2025(c)(7) of this title. If the State agency appeals such claim (in whole or in part), the interest on any unpaid portion of the claim shall accrue from the date of the decision on the administrative appeal, or from a date that is 1 year after the date the bill is received, whichever is earlier, until the date the unpaid portion of the payment is received. If the State agency pays such claim (in whole or in part, including an agreement to have all or part of the claim paid through a reduction in Federal administrative funding) and the claim is subsequently overturned through administrative or judicial appeal, any amounts paid by the State agency shall be promptly returned with interest, accruing from the date the payment is received until the date the payment is returned.

(3) Computation of interest

Any interest assessed under this paragraph shall be computed at a rate determined by the Secretary based on the average of the bond equivalent of the weekly 90-day Treasury bill auction rates during the period such interest accrues.

(4) Joint and several liability of household members

Each adult member of a household shall be jointly and severally liable for the value of any overissuance of coupons.

(b) Collection of overissuances

(1) In general

Except as otherwise provided in this subsection, a State agency shall collect any overissuance of coupons issued to a household by—

- (A) reducing the allotment of the household;
- (B) withholding amounts from unemployment compensation from a member of the household under subsection (c) of this section;
- (C) recovering from Federal pay or a Federal income tax refund under subsection (d) of this section; or
- (D) any other means.

(2) Cost effectiveness

Paragraph (1) shall not apply if the State agency demonstrates to the satisfaction of the Secretary that all of the means referred to in paragraph (1) are not cost effective.

(3) Maximum reduction absent fraud

If a household received an overissuance of coupons without any member of the household being found ineligible to participate in the program under section 2015(b)(1) of this title and a State agency elects to reduce the allotment of the household under paragraph (1)(A), the State agency shall not reduce the monthly allotment of the household under paragraph (1)(A) by an amount in excess of the greater of—

- (A) 10 percent of the monthly allotment of the household; or
- (B) \$10.

(4) Procedures

A State agency shall collect an overissuance of coupons issued to a household under paragraph (1) in accordance with the requirements established by the State agency for providing notice, electing a means of payment, and establishing a time schedule for payment.

(c) Food stamp intercept of unemployment benefits

(1) As used in this subsection, the term “uncollected overissuance” means the amount of an overissuance of coupons, as determined under subsection (b)(1) of this section, that has not been recovered pursuant to subsection (b)(1) of this section.

(2) A State agency may determine on a periodic basis, from information supplied pursuant to section 49b(b) of title 29, whether an individual receiving compensation under the State’s unemployment compensation law (including amounts payable pursuant to an agreement under a Federal unemployment compensation law) owes an uncollected overissuance.

(3) A State agency may recover an uncollected overissuance—

- (A) by—
 - (i) entering into an agreement with an individual described in paragraph (2) under which specified amounts will be withheld from unemployment compensation otherwise payable to the individual; and
 - (ii) furnishing a copy of the agreement to the State agency administering the unemployment compensation law; or

(B) in the absence of an agreement, by obtaining a writ, order, summons, or other similar process in the nature of garnishment from a court of competent jurisdiction to require the withholding of amounts from the unemployment compensation.

(d) Recovery of overissuance of coupons

The amount of an overissuance of coupons, as determined under subsection (b)(1) of this section, that has not been recovered pursuant to such subsection may be recovered from Federal pay (including salaries and pensions) as authorized by section 5514 of title 5 or a Federal income tax refund as authorized by section 3720A of title 31.

(Pub. L. 88-525, §13, Aug. 31, 1964, 78 Stat. 707; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 974; Pub. L. 97-35, title I, §113, Aug. 13, 1981, 95 Stat. 363; Pub. L. 97-253, title I, §§177, 178, Sept. 8, 1982, 96 Stat. 781, 782; Pub. L. 99-198, title

XV, §§1533–1535(a), Dec. 23, 1985, 99 Stat. 1583; Pub. L. 100–435, title VI, §§601, 602, Sept. 19, 1988, 102 Stat. 1674; Pub. L. 101–624, title XVII, §1746, Nov. 28, 1990, 104 Stat. 3796; Pub. L. 102–237, title IX, §911, Dec. 13, 1991, 105 Stat. 1887; Pub. L. 103–66, title XIII, §§13941(b), 13951(a), Aug. 10, 1993, 107 Stat. 676, 677; Pub. L. 104–193, title VIII, §844(a), Aug. 22, 1996, 110 Stat. 2332; Pub. L. 107–171, title IV, §4118(b), May 13, 2002, 116 Stat. 321.)

AMENDMENTS

2002—Subsec. (a). Pub. L. 107–171, inserted subsec. (a) heading, redesignated par. (2) as (4) and inserted heading, designated existing provisions of par. (1) as pars. (1) to (3) and inserted headings, in par. (1) substituted “Except in the case of an at-risk amount required under section 2025(c)(1)(D)(i)(III) of this title, the Secretary” for “The Secretary” and struck out “In determining whether to settle, adjust, compromise, or waive a claim arising against a State agency pursuant to section 2025(c) of this title, the Secretary shall review a State agency’s plans for new dollar investment in activities to improve program administration in order to reduce payment error, and shall take the State agency’s plans for new dollar investment in such activities into consideration as the Secretary considers appropriate.” after “section 2023 of this title.”, and in par. (2) substituted “claim established under section 2025(c)(1) of this title” for “claim established under section 2025(c)(1)(C) of this title”.

1996—Subsec. (b). Pub. L. 104–193, §844(a)(1), added subsec. (b) and struck out former subsec. (b) which provided for reduction of allotment for households with ineligible individuals and collection by State agencies of claims against households arising from overissuance of coupons.

Subsec. (d). Pub. L. 104–193, §844(a)(2), substituted “, as determined under subsection (b)(1) of this section,” for “as determined under subsection (b) of this section and except for claims arising from an error of the State agency,” and inserted before period at end “or a Federal income tax refund as authorized by section 3720A of title 31”.

1993—Subsec. (a)(1). Pub. L. 103–66, §13951(a), in fifth sentence, struck out “(after a determination on any request for a waiver for good cause related to the claim has been made by the Secretary)” after “30 days from the date on which the bill for collection” and in sixth sentence substituted “1 year” for “2 years”.

Subsec. (d). Pub. L. 103–66, §13941(b), added subsec. (d).
1991—Subsec. (b)(2)(A). Pub. L. 102–237 inserted before period at end of first sentence “, except that the household shall be given notice permitting it to elect another means of repayment and given 10 days to make such an election before the State agency commences action to reduce the household’s monthly allotment”.

1990—Subsec. (b)(1)(A). Pub. L. 101–624 substituted “on the date of receipt (or, if the date of receipt is not a business day, on the next business day)” for “within thirty days”.

1988—Subsec. (a)(1). Pub. L. 100–435, §601, inserted provisions relating to review of State agency’s plans for program investment to reduce payment error when Secretary determines whether to settle, etc., claims under section 2025(c) of this title.

Pub. L. 100–435, §602, inserted provisions relating to failure of State agency to pay a claim under section 2025(c)(1)(C) of this title and interest with respect to unpaid portion of such claims.

1985—Subsec. (a). Pub. L. 99–198, §1533, designated existing provisions as par. (1) and added par. (2).

Subsec. (b)(1)(B). Pub. L. 99–198, §1534, substituted “shall” for “may” and inserted “, unless the State agency demonstrates to the satisfaction of the Secretary that such other means are not cost effective”.

Subsec. (c). Pub. L. 99–198, §1535(a), added subsec. (c).
1982—Subsec. (b)(1). Pub. L. 97–253, §§177(a), 178, redesignated existing provisions, which were formerly un-

designated, as subpar. (A), inserted “within thirty days of a demand for an election” after “make an election”, and added subpar. (B).

Subsec. (b)(2). Pub. L. 97–253, §177(b), redesignated existing provisions, which had been undesignated, as subpar. (A) and added subpar. (B).

1981—Pub. L. 97–35 designated existing provisions as subsec. (a), inserted provisions relating to power to waive claims, and the power to otherwise reduce amounts, and added subsec. (b).

1977—Pub. L. 95–113 substituted revised provisions relating to the determination and disposition of claims for provisions relating to administrative and judicial review which are now covered by section 2023 of this title.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107–171, title IV, §4118(e), May 13, 2002, 116 Stat. 321, provided that: “The amendments made by this section [amending this section and sections 2025, 2027, and 2031 of this title] shall not apply with respect to any sanction, appeal, new investment agreement, or other action by the Secretary of Agriculture or a State agency that is based on a payment error rate calculated for any fiscal year before fiscal year 2003.”

Amendment by Pub. L. 107–171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107–171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 13941(b) of Pub. L. 103–66 effective, and to be implemented beginning on, Oct. 1, 1993, and amendment by section 13951(a) of Pub. L. 103–66 effective Oct. 1, 1991, see section 13971(a), (b)(1)(A) of Pub. L. 103–66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102–237 effective Dec. 13, 1991, see section 1101(d)(4) of Pub. L. 102–237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–435 effective Oct. 1, 1985, with respect to claims under section 2025(c) of this title for quality control review periods after such date, and provisions of this section that relate to claims against State agencies and that were in effect for any quality control review period or periods through fiscal year 1985 to remain in effect for claims arising with respect to such periods, see section 701(b)(5)(B), (D)(i) of Pub. L. 100–435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97–253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–35 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 117 of Pub. L. 97–35, set out as a note under section 2012 of this title, see section 192(a) of Pub. L. 97–253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97–35 effective and implemented upon such dates as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 117 of Pub. L. 97–35, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95–113 provided that the amendment made by that section is effective Oct. 1, 1977.

§ 2023. Administrative and judicial review; restoration of rights

(a)(1) Whenever an application of a retail food store or wholesale food concern to participate in the food stamp program is denied pursuant to section 2018 of this title, or a retail food store or wholesale food concern is disqualified or subjected to a civil money penalty under the provisions of section 2021 of this title, or a retail food store or wholesale food concern forfeits a bond under section 2021(d) of this title, or all or part of any claim of a retail food store or wholesale food concern is denied under the provisions of section 2022 of this title, or a claim against a State agency is stated pursuant to the provisions of section 2022 of this title, notice of such administrative action shall be issued to the retail food store, wholesale food concern, or State agency involved.

(2) DELIVERY OF NOTICES.—A notice under paragraph (1) shall be delivered by any form of delivery that the Secretary determines will provide evidence of the delivery.

(3) If such store, concern, or State agency is aggrieved by such action, it may, in accordance with regulations promulgated under this chapter, within ten days of the date of delivery of such notice, file a written request for an opportunity to submit information in support of its position to such person or persons as the regulations may designate.

(4) If such a request is not made or if such store, concern, or State agency fails to submit information in support of its position after filing a request, the administrative determination shall be final.

(5) If such request is made by such store, concern, or State agency, such information as may be submitted by the store, concern, or State agency, as well as such other information as may be available, shall be reviewed by the person or persons designated by the Secretary, who shall, subject to the right of judicial review hereinafter provided, make a determination which shall be final and which shall take effect thirty days after the date of the delivery or service of such final notice of determination.

(6) Determinations regarding claims made pursuant to section 2025(c) of this title (including determinations as to whether there is good cause for not imposing all or a portion of the penalty) shall be made on the record after opportunity for an agency hearing in accordance with section 556 and 557 of title 5 in which one or more administrative law judges appointed pursuant to section 3105 of such title shall preside over the taking of evidence.

(7) Such judges shall have authority to issue and enforce subpoenas in the manner prescribed in sections¹ 499m(c) and (d) of this title and to appoint expert witnesses under the provisions of Rule 706 of the Federal Rules of Evidence.

(8) The Secretary may not limit the authority of such judges presiding over determinations regarding claims made pursuant to section 2025(c) of this title.

(9) The Secretary shall provide a summary procedure for determinations regarding claims

made pursuant to section 2025(c) of this title in amounts less than \$50,000.

(10) Such summary procedure need not include an oral hearing.

(11) On a petition by the State agency or sua sponte, the Secretary may permit the full administrative review procedure to be used in lieu of such summary review procedure for a claim of less than \$50,000.

(12) Subject to the right of judicial review hereinafter provided, a determination made by an administrative law judge regarding a claim made pursuant to section 2025(c) of this title shall be final and shall take effect thirty days after the date of the delivery or service of final notice of such determination.

(13) If the store, concern, or State agency feels aggrieved by such final determination, it may obtain judicial review thereof by filing a complaint against the United States in the United States court for the district in which it resides or is engaged in business, or, in the case of a retail food store or wholesale food concern, in any court of record of the State having competent jurisdiction, within thirty days after the date of delivery or service of the final notice of determination upon it, requesting the court to set aside such determination.

(14) The copy of the summons and complaint required to be delivered to the official or agency whose order is being attacked shall be sent to the Secretary or such person or persons as the Secretary may designate to receive service of process.

(15) The suit in the United States district court or State court shall be a trial de novo by the court in which the court shall determine the validity of the questioned administrative action in issue, except that judicial review of determinations regarding claims made pursuant to section 2025(c) of this title shall be a review on the administrative record.

(16) If the court determines that such administrative action is invalid, it shall enter such judgment or order as it determines is in accordance with the law and the evidence.

(17) During the pendency of such judicial review, or any appeal therefrom, the administrative action under review shall be and remain in full force and effect, unless on application to the court on not less than ten days' notice, and after hearing thereon and a consideration by the court of the applicant's likelihood of prevailing on the merits and of irreparable injury, the court temporarily stays such administrative action pending disposition of such trial or appeal.

(18) SUSPENSION OF STORES PENDING REVIEW.—Notwithstanding any other provision of this subsection, any permanent disqualification of a retail food store or wholesale food concern under paragraph (3) or (4) of section 2021(b) of this title shall be effective from the date of receipt of the notice of disqualification. If the disqualification is reversed through administrative or judicial review, the Secretary shall not be liable for the value of any sales lost during the disqualification period.

(b) In any judicial action arising under this chapter, any food stamp allotments found to have been wrongfully withheld shall be restored only for periods of not more than one year prior

¹ So in original. Probably should be "section".

to the date of the commencement of such action, or in the case of an action seeking review of a final State agency determination, not more than one year prior to the date of the filing of a request with the State for the restoration of such allotments or, in either case, not more than one year prior to the date the State agency is notified or otherwise discovers the possible loss to a household.

(Pub. L. 88-525, §14, Aug. 31, 1964, 78 Stat. 708; Pub. L. 91-671, §7, Jan. 11, 1971, 84 Stat. 2052; Pub. L. 92-603, title IV, §411(f), Oct. 30, 1972, 86 Stat. 1492; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 974; Pub. L. 97-98, title XIII, §1320(b), Dec. 22, 1981, 95 Stat. 1286; Pub. L. 97-253, title I, §176(b), Sept. 8, 1982, 96 Stat. 781; Pub. L. 99-198, title XV, §1536, Dec. 23, 1985, 99 Stat. 1585; Pub. L. 100-435, title VI, §603, Sept. 19, 1988, 102 Stat. 1674; Pub. L. 103-66, title XIII, §13951(b), Aug. 10, 1993, 107 Stat. 678; Pub. L. 104-193, title VIII, §845, Aug. 22, 1996, 110 Stat. 2333; Pub. L. 107-171, title IV, §4117(a), May 13, 2002, 116 Stat. 316.)

REFERENCES IN TEXT

The Federal Rules of Evidence, referred to in subsec. (a)(7), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

AMENDMENTS

2002—Subsec. (a)(2). Pub. L. 107-171 added heading and text of par. (2) and struck out former par. (2) which read as follows: “Such notice shall be delivered by certified mail or personal service.”

1996—Subsec. (a). Pub. L. 104-193 designated first through seventeenth sentences as pars. (1) to (17), respectively, and added par. (18).

1993—Subsec. (a). Pub. L. 103-66 inserted “(including determinations as to whether there is good cause for not imposing all or a portion of the penalty)” after “Determinations regarding claims made pursuant to section 2025(c) of this title” in sixth sentence and struck out at end “Notwithstanding the administrative or judicial review procedures set forth in this subsection, determinations by the Secretary concerning whether a State agency had good cause for its failure to meet error rate tolerance levels established under section 2025(c) of this title are final.”

1988—Subsec. (a). Pub. L. 100-435 inserted provisions relating to judicial review and determinations regarding excessive payment error rate claims pursuant to section 2025(c) of this title.

1985—Subsec. (a). Pub. L. 99-198 substituted “on application” for “an application” and “consideration by the court of the applicant’s likelihood of prevailing on the merits and of irreparable injury” for “showing of irreparable injury”.

1982—Subsec. (a). Pub. L. 97-253 substituted “section 2021 of this title, or a retail food store or wholesale food concern forfeits a bond under section 2021(d) of this title,” for “section 2021 of this title.”

1981—Pub. L. 97-98 designated existing provision as subsec. (a) and added subsec. (b).

1977—Pub. L. 95-113 substituted revised provisions for administrative and judicial review for provisions relating to violations and enforcement which are now covered by section 2024 of this title.

1972—Subsec. (e). Pub. L. 92-603 struck out subsec. (e) which provided that no person be charged with violation of this chapter or any other law on the basis of statements or information contained in affidavits filed under section 2019(c) of this title, except for fraud.

1971—Subsec. (a). Pub. L. 91-671, §7(a), provided for purchase of coupons.

Subsec. (b). Pub. L. 91-671, §7(a), included alteration as an offense and made authorization to purchase cards the subject matter of the enumerated offenses.

Subsec. (e). Pub. L. 91-671, §7(b), added subsec. (e).

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4117(b), May 13, 2002, 116 Stat. 316, provided that: “The amendment made by this section [amending this section] takes effect on the date of enactment of this Act [May 13, 2002].”

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective Oct. 1, 1991, see section 13971(b)(1)(A) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 effective Oct. 1, 1985, with respect to claims under section 2025(c) of this title for quality control review periods after such date, except as otherwise provided, see section 701(b)(5)(C), (D) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by Pub. L. 92-603 effective Jan. 1, 1973, see section 411(h) of Pub. L. 92-603, set out as a note under section 2012 of this title.

§ 2024. Violations and enforcement

(a) Coupon redemption

Notwithstanding any other provision of this chapter, the Secretary may provide for the issuance or presentment for redemption of coupons to such person or persons, and at such times and in such manner, as the Secretary deems necessary or appropriate to protect the interests of the United States or to ensure enforcement of the provisions of this chapter or the regulations issued pursuant to this chapter.

(b) Unauthorized use, transfer, acquisition, alteration, or possession of coupons or authorization cards; restitution by convicted individuals

(1) Subject to the provisions of paragraph (2) of this subsection, whoever knowingly uses, transfers, acquires, alters, or possesses coupons, authorization cards, or access devices in any manner contrary to this chapter or the regulations issued pursuant to this chapter shall, if such coupons, authorization cards, or access devices are of a value of \$5,000 or more, be guilty of a felony and shall be fined not more than

\$250,000 or imprisoned for not more than twenty years, or both, and shall, if such coupons or authorization cards are of a value of \$100 or more, but less than \$5,000, or if the item used, transferred, acquired, altered, or possessed is an access device that has a value of \$100 or more, but less than \$5,000, be guilty of a felony and shall, upon the first conviction thereof, be fined not more than \$10,000 or imprisoned for not more than five years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than six months nor more than five years and may also be fined not more than \$10,000 or, if such coupons or authorization cards are of a value of less than \$100, or if the item used, transferred, acquired, altered, or processed is an access device that has a value of less than \$100, shall be guilty of a misdemeanor, and, upon the first conviction thereof, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both, and upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than \$1,000. In addition to such penalties, any person convicted of a felony or misdemeanor violation under this subsection may be suspended by the court from participation in the food stamp program for an additional period of up to eighteen months consecutive to that period of suspension mandated by section 2015(b)(1) of this title.

(2) In the case of any individual convicted of an offense under paragraph (1) of this subsection, the court may permit such individual to perform work approved by the court for the purpose of providing restitution for losses incurred by the United States and the State agency as a result of the offense for which such individual was convicted. If the court permits such individual to perform such work and such individual agrees thereto, the court shall withhold the imposition of the sentence on the condition that such individual perform the assigned work. Upon the successful completion of the assigned work the court may suspend such sentence.

(c) Presentation for payment or redemption of coupons that have been illegally received, transferred, or used

Whoever presents, or causes to be presented, coupons for payment or redemption of the value of \$100 or more, knowing the same to have been received, transferred, or used in any manner in violation of the provisions of this chapter or the regulations issued pursuant to this chapter, shall be guilty of a felony and, upon the first conviction thereof, shall be fined not more than \$20,000 or imprisoned for not more than five years, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not less than one year nor more than five years and may also be fined not more than \$20,000, or, if such coupons are of a value of less than \$100, shall be guilty of a misdemeanor and, upon the first conviction thereof, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both, and, upon the second and any subsequent conviction thereof, shall be imprisoned for not more than one year and may also be fined not more than \$1,000. In addition to such penalties, any person convicted of a felony

or misdemeanor violation under this subsection may be suspended by the court from participation in the food stamp program for an additional period of up to eighteen months consecutive to that period of suspension mandated by section 2015(b)(1) of this title.

(d) Coupons as obligations of the United States

Coupons issued pursuant to this chapter shall be deemed to be obligations of the United States within the meaning of section 8 of title 18.

(e) Failure to provide monthly operations report; violation of regulations; delivery and control procedures

Any coupon issuer or any officer, employee, or agent thereof convicted of failing to provide the report required under section 2016(d) of this title or of violating the regulations issued under section 2016(d) and (e) of this title shall be fined not more than \$1,000 or imprisoned for not more than one year, or both.

(f) Liability for financial losses involved in acceptance, storage, and issuance of coupons

Any coupon issuer or any officer, employee, or agent thereof convicted of knowingly providing false information in the report required under section 2016(d) of this title shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

(g) Forfeiture of property involved in illegal food stamp transactions

The Secretary may subject to forfeiture and denial of property rights any nonfood items, moneys, negotiable instruments, securities, or other things of value that are furnished by any person in exchange for coupons, authorization cards or access devices, or anything of value obtained by use of an access device, in any manner contrary to this chapter or the regulations issued under this chapter. Any forfeiture and disposal of property forfeited under this subsection shall be conducted in accordance with procedures contained in regulations issued by the Secretary.

(h) Criminal forfeiture

(1) In general

In imposing a sentence on a person convicted of an offense in violation of subsection (b) or (c) of this section, a court shall order, in addition to any other sentence imposed under this section, that the person forfeit to the United States all property described in paragraph (2).

(2) Property subject to forfeiture

All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation (other than a misdemeanor) of subsection (b) or (c) of this section, or proceeds traceable to a violation of subsection (b) or (c) of this section, shall be subject to forfeiture to the United States under paragraph (1).

(3) Interest of owner

No interest in property shall be forfeited under this subsection as the result of any act or omission established by the owner of the interest to have been committed or omitted

without the knowledge or consent of the owner.

(4) Proceeds

The proceeds from any sale of forfeited property and any monies forfeited under this subsection shall be used—

(A) first, to reimburse the Department of Justice for the costs incurred by the Department to initiate and complete the forfeiture proceeding;

(B) second, to reimburse the Department of Agriculture Office of Inspector General for any costs the Office incurred in the law enforcement effort resulting in the forfeiture;

(C) third, to reimburse any Federal or State law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and

(D) fourth, by the Secretary to carry out the approval, reauthorization, and compliance investigations of retail stores and wholesale food concerns under section 2018 of this title.

(Pub. L. 88-525, §15, Aug. 31, 1964, 78 Stat. 708; Pub. L. 91-671, §8, Jan. 11, 1971, 84 Stat. 2052; Pub. L. 93-347, §2, July 12, 1974, 88 Stat. 341; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 975; Pub. L. 96-249, title I, §124, May 26, 1980, 94 Stat. 363; Pub. L. 97-98, title XIII, §1324, Dec. 22, 1981, 95 Stat. 1288; Pub. L. 101-624, title XVII, §§1747(a), (c), 1748, 1749, Nov. 28, 1990, 104 Stat. 3796, 3797; Pub. L. 104-193, title VIII, §846, Aug. 22, 1996, 110 Stat. 2334.)

AMENDMENTS

1996—Subsec. (g). Pub. L. 104-193, §846(a), struck out “or intended to be furnished” after “that are furnished”.

Subsec. (h). Pub. L. 104-193, §846(b), added subsec. (h).
1990—Subsec. (b)(1). Pub. L. 101-624, §1748, inserted “if such coupons, authorization cards, or access devices are of a value of \$5,000 or more, be guilty of a felony and shall be fined not more than \$250,000 or imprisoned for not more than twenty years, or both, and shall,” after “chapter shall”, and inserted “but less than \$5,000,” after “\$100 or more” in two places.

Pub. L. 101-624, §1747(a), substituted “, authorization cards, or access devices in any manner contrary to” for “or authorization cards in any manner not authorized by”, and inserted “or if the item used, transferred, acquired, altered, or possessed is an access device that has a value of \$100 or more,” after “a value of \$100 or more,” and inserted “or if the item used, transferred, acquired, altered, or processed is an access device that has a value of less than \$100,” after “a value of less than \$100,”.

Subsec. (c). Pub. L. 101-624, §1749, substituted “\$20,000” for “\$10,000” in two places.

Subsec. (g). Pub. L. 101-624, §1747(c), substituted “, authorization cards or access devices, or anything of value obtained by use of an access device, in any manner contrary to” for “or authorization cards in any manner not authorized by”.

1981—Subsec. (b). Pub. L. 97-98 designated existing provision as par. (1), inserted provisions specifying the minimum and maximum sentences for the second and any subsequent convictions for felonies and misdemeanors and provision authorizing the court to suspend a person convicted of a felony or misdemeanor under this subsection from participation in the food stamp program for an additional period of up to eighteen months consecutive to that period of suspension mandated by section 2015(b)(1) of this title, and added par. (2).

Subsec. (c). Pub. L. 97-98 inserted provisions specifying the minimum and maximum sentences for the second and any subsequent convictions for felonies and misdemeanors and provision authorizing the court to suspend a person convicted of a felony or misdemeanor under this subsection from participation in the food stamp program for an additional period of up to eighteen months consecutive to that period of suspension mandated by section 2015(b)(1) of this title.

1980—Subsec. (g). Pub. L. 96-249 added subsec. (g).

1977—Pub. L. 95-113 substituted revised provisions relating to violations and enforcement for provisions relating to the State financing of administrative costs which are now covered by section 2025 of this title.

1974—Pub. L. 93-347 authorized the Secretary of Agriculture to pay each State agency 50 percent of all the State agency’s costs in administering the Food Stamp Program and required that each State make reports from time to time at the request of the Secretary of Agriculture on the effectiveness of the administration of the Food Stamp Program in that State.

1971—Subsec. (b). Pub. L. 91-671 struck out “cooperate with State agencies in the certification of households which are not receiving any type of public assistance so as to insure the effective certification of such households in accordance with the eligibility standards approved under the provisions of section 2019 of this title. Such cooperation shall include payments to State agencies for part of the cost they incur in the certification of such households” after “is authorized to”, and in providing for payments to State agencies, increased percentage from 50 to 62½, and substituted cl. (1) provisions for travel and travel-related cost of personnel for such time as they are employed in taking the action required under section 2019(e) of this title and in making certification determinations for households other than those which consist solely of recipients of welfare assistance for prior cl. (1) for direct salary costs of personnel used to make interviews and such postinterview investigations as are necessary to certify eligibility of such households, for periods of employment, in certifying the eligibility of such households; cl. (2) respecting direct salary, travel, and travel-related costs (including such fringe benefits as are normally paid) of personnel for time of employment as hearing officials under section 2019(e) of this title for prior cl. (2) respecting travel and related costs incurred by personnel in postinterview field investigations of households, and deleted cl. (3) for an amount not to exceed 25 per centum of the costs computed under former cls. (1) and (2).

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

§ 2025. Administrative cost-sharing and quality control

(a) Administrative costs

Subject to subsection (k) of this section, the Secretary is authorized to pay to each State agency an amount equal to 50 per centum of all administrative costs involved in each State agency’s operation of the food stamp program,

which costs shall include, but not be limited to, the cost of (1) the certification of applicant households, (2) the acceptance, storage, protection, control, and accounting of coupons after their delivery to receiving points within the State, (3) the issuance of coupons to all eligible households, (4) food stamp informational activities, including those undertaken under section 2020(e)(1)(A) of this title, but not including recruitment activities, (5) fair hearings, (6) automated data processing and information retrieval systems subject to the conditions set forth in subsection (g) of this section, (7) food stamp program investigations and prosecutions, and (8) implementing and operating the immigration status verification system established under section 1137(d) of the Social Security Act (42 U.S.C. 1320b-7(d)): *Provided*, That the Secretary is authorized at the Secretary's discretion to pay any State agency administering the food stamp program on all or part of an Indian reservation under section 2020(d) of this title or in a Native village within the State of Alaska identified in section 1610(b) of title 43.¹ such amounts for administrative costs as the Secretary determines to be necessary for effective operation of the food stamp program, as well as to permit each State to retain 35 percent of the value of all funds or allotments recovered or collected pursuant to sections 2015(b) and 2022(c) of this title and 20 percent of the value of any other funds or allotments recovered or collected, except the value of funds or allotments recovered or collected that arise from an error of a State agency. The officials responsible for making determinations of ineligibility under this chapter shall not receive or benefit from revenues retained by the State under the provisions of this subsection.

(b) Work supplementation or support program

(1) "Work supplementation or support program" defined

In this subsection, the term "work supplementation or support program" means a program under which, as determined by the Secretary, public assistance (including any benefits provided under a program established by the State and the food stamp program) is provided to an employer to be used for hiring and employing a public assistance recipient who was not employed by the employer at the time the public assistance recipient entered the program.

(2) Program

A State agency may elect to use an amount equal to the allotment that would otherwise be issued to a household under the food stamp program, but for the operation of this subsection, for the purpose of subsidizing or supporting a job under a work supplementation or support program established by the State.

(3) Procedure

If a State agency makes an election under paragraph (2) and identifies each household that participates in the food stamp program that contains an individual who is participating in the work supplementation or support program—

(A) the Secretary shall pay to the State agency an amount equal to the value of the allotment that the household would be eligible to receive but for the operation of this subsection;

(B) the State agency shall expend the amount received under subparagraph (A) in accordance with the work supplementation or support program in lieu of providing the allotment that the household would receive but for the operation of this subsection;

(C) for purposes of—

(i) sections 2014 and 2017(a) of this title, the amount received under this subsection shall be excluded from household income and resources; and

(ii) section 2017(b) of this title, the amount received under this subsection shall be considered to be the value of an allotment provided to the household; and

(D) the household shall not receive an allotment from the State agency for the period during which the member continues to participate in the work supplementation or support program.

(4) Other work requirements

No individual shall be excused, by reason of the fact that a State has a work supplementation or support program, from any work requirement under section 2015(d) of this title, except during the periods in which the individual is employed under the work supplementation or support program.

(5) Length of participation

A State agency shall provide a description of how the public assistance recipients in the program shall, within a specific period of time, be moved from supplemented or supported employment to employment that is not supplemented or supported.

(6) Displacement

A work supplementation or support program shall not displace the employment of individuals who are not supplemented or supported.

(c) Quality control system

(1) In general

(A) System

In carrying out the food stamp program, the Secretary shall carry out a system that enhances payment accuracy and improves administration by establishing fiscal incentives that require State agencies with high payment error rates to share in the cost of payment error.

(B) Adjustment of Federal share of administrative costs for fiscal years before fiscal year 2003

(i) In general

Subject to clause (ii), with respect to any fiscal year before fiscal year 2003, the Secretary shall adjust a State agency's federally funded share of administrative costs under subsection (a) of this section, other than the costs already shared in excess of 50 percent under the proviso in the first sentence of subsection (a) of this sec-

¹ So in original. The period probably should not appear.

tion or under subsection (g) of this section, by increasing that share of all such administrative costs by 1 percentage point to a maximum of 60 percent of all such administrative costs for each full $\frac{1}{10}$ of a percentage point by which the payment error rate is less than 6 percent.

(ii) Limitation

Only States with a rate of invalid decisions in denying eligibility that is less than a nationwide percentage that the Secretary determines to be reasonable shall be entitled to the adjustment under clause (i).

(C) Establishment of liability amount for fiscal year 2003 and thereafter

With respect to fiscal year 2004 and any fiscal year thereafter for which the Secretary determines that, for the second or subsequent consecutive fiscal year, a 95 percent statistical probability exists that the payment error rate of a State agency exceeds 105 percent of the national performance measure for payment error rates announced under paragraph (6), the Secretary shall establish an amount for which the State agency may be liable (referred to in this paragraph as the “liability amount”) that is equal to the product obtained by multiplying—

- (i) the value of all allotments issued by the State agency in the fiscal year;
- (ii) the difference between—
 - (I) the payment error rate of the State agency; and
 - (II) 6 percent; and
- (iii) 10 percent.

(D) Authority of Secretary with respect to liability amount

With respect to the liability amount established for a State agency under subparagraph (C) for any fiscal year, the Secretary shall—

- (i)(I) waive the responsibility of the State agency to pay all or any portion of the liability amount established for the fiscal year (referred to in this paragraph as the “waiver amount”);
- (II) require that a portion, not to exceed 50 percent, of the liability amount established for the fiscal year be used by the State agency for new investment, approved by the Secretary, to improve administration by the State agency of the food stamp program (referred to in this paragraph as the “new investment amount”), which new investment amount shall not be matched by Federal funds;
- (III) designate a portion, not to exceed 50 percent, of the amount established for the fiscal year for payment to the Secretary in accordance with subparagraph (E) (referred to in this paragraph as the “at-risk amount”); or
- (IV) take any combination of the actions described in subclauses (I) through (III); or
- (ii) make the determinations described in clause (i) and enter into a settlement with the State agency, only with respect

to any waiver amount or new investment amount, before the end of the fiscal year in which the liability amount is determined under subparagraph (C).

(E) Payment of at-risk amount for certain States

(i) In general

A State agency shall pay to the Secretary the at-risk amount designated under subparagraph (D)(i)(III) for any fiscal year in accordance with clause (ii), if, with respect to the immediately following fiscal year, a liability amount has been established for the State agency under subparagraph (C).

(ii) Method of payment of at-risk amount

(I) Remission to the Secretary

In the case of a State agency required to pay an at-risk amount under clause (i), as soon as practicable after completion of all administrative and judicial reviews with respect to that requirement to pay, the chief executive officer of the State shall remit to the Secretary the at-risk amount required to be paid.

(II) Alternative method of collection

(aa) In general

If the chief executive officer of the State fails to make the payment under subclause (I) within a reasonable period of time determined by the Secretary, the Secretary may reduce any amount due to the State agency under any other provision of this section by the amount required to be paid under clause (i).

(bb) Accrual of interest

During any period of time determined by the Secretary under item (aa), interest on the payment under subclause (I) shall not accrue under section 2022(a)(2) of this title.

(F) Use of portion of liability amount for new investment

(i) Reduction of other amounts due to State agency

In the case of a State agency that fails to comply with a requirement for new investment under subparagraph (D)(i)(II) or clause (iii)(I), the Secretary may reduce any amount due to the State agency under any other provision of this section by the portion of the liability amount that has not been used in accordance with that requirement.

(ii) Effect of State agency’s wholly prevailing on appeal

If a State agency begins required new investment under subparagraph (D)(i)(II), the State agency appeals the liability amount of the State agency, and the determination by the Secretary of the liability amount is reduced to \$0 on administrative or judicial review, the Secretary shall pay to the State agency an amount equal to 50 percent of the new investment amount

that was included in the liability amount subject to the appeal.

(iii) Effect of Secretary's wholly prevailing on appeal

If a State agency does not begin required new investment under subparagraph (D)(i)(II), the State agency appeals the liability amount of the State agency, and the determination by the Secretary of the liability amount is wholly upheld on administrative or judicial review, the Secretary shall—

(I) require all or any portion of the new investment amount to be used by the State agency for new investment, approved by the Secretary, to improve administration by the State agency of the food stamp program, which amount shall not be matched by Federal funds; and

(II) require payment of any remaining portion of the new investment amount in accordance with subparagraph (E)(ii).

(iv) Effect of neither party's wholly prevailing on appeal

The Secretary shall promulgate regulations regarding obligations of the Secretary and the State agency in a case in which the State agency appeals the liability amount of the State agency and neither the Secretary nor the State agency wholly prevails.

(G) Corrective action plans

The Secretary shall foster management improvements by the States by requiring State agencies, other than State agencies with payment error rates of less than 6 percent, to develop and implement corrective action plans to reduce payment errors.

(2) Error rate definitions

As used in this section—

(A) the term “payment error rate” means the sum of the point estimates of an overpayment error rate and an underpayment error rate determined by the Secretary from data collected in a probability sample of participating households;

(B) the term “overpayment error rate” means the percentage of the value of all allotments issued in a fiscal year by a State agency that are either—

- (i) issued to households that fail to meet basic program eligibility requirements; or
- (ii) overissued to eligible households; and

(C) the term “underpayment error rate” means the ratio of the value of allotments underissued to recipient households to the total value of allotments issued in a fiscal year by a State agency.

(3) Exclusions

The following errors may be measured for management purposes but shall not be included in the payment error rate:

(A) Any errors resulting in the application of new regulations promulgated under this chapter during the first 120 days from the required implementation date for such regulations.

(B) Errors resulting from the use by a State agency of correctly processed information concerning households or individuals received from Federal agencies or from actions based on policy information approved or disseminated, in writing, by the Secretary or the Secretary's designee.

(4) Reporting requirements

The Secretary may require a State agency to report any factors that the Secretary considers necessary to determine a State agency's payment error rate, liability amount or new investment amount under paragraph (1), or performance under the performance measures under subsection (d) of this section. If a State agency fails to meet the reporting requirements established by the Secretary, the Secretary shall base the determination on all pertinent information available to the Secretary.

(5) Procedures

To facilitate the implementation of this subsection, each State agency shall expeditiously submit to the Secretary data concerning the operations of the State agency in each fiscal year sufficient for the Secretary to establish the State agency's payment error rate, liability amount or new investment amount under paragraph (1), or performance under the performance measures under subsection (d) of this section. The Secretary shall initiate efforts to collect the amount owed by the State agency as a claim established under paragraph (1) for a fiscal year, subject to the conclusion of any formal or informal appeal procedure and administrative or judicial review under section 2023 of this title (as provided for in paragraph (7)), before the end of the fiscal year following such fiscal year.

(6) National performance measure for payment error rates

(A) Announcement

At the time the Secretary makes the notification to State agencies of their error rates, the Secretary shall also announce a national performance measure that shall be the sum of the products of each State agency's error rate as developed for the notifications under paragraph (8) times that State agency's proportion of the total value of national allotments issued for the fiscal year using the most recent issuance data available at the time of the notifications issued pursuant to paragraph (8).

(B) Use of alternative measure of State error

Where a State fails to meet reporting requirements pursuant to paragraph (4), the Secretary may use another measure of a State's error developed pursuant to paragraph (5), to develop the national performance measure.

(C) Use of national performance measure

The announced national performance measure shall be used in determining the liability amount of a State under paragraph (1)(C) for the fiscal year whose error rates are being announced under paragraph (8).

(D) No administrative or judicial review

The national performance measure announced under this paragraph shall not be subject to administrative or judicial review.

(7) Administrative and judicial review**(A) In general**

Except as provided in subparagraphs (B) and (C), if the Secretary asserts a financial claim against or establishes a liability amount with respect to a State agency under paragraph (1), the State may seek administrative and judicial review of the action pursuant to section 2023 of this title.

(B) Determination of payment error rate

With respect to any fiscal year, a determination of the payment error rate of a State agency or a determination whether the payment error rate exceeds 105 percent of the national performance measure for payment error rates shall be subject to administrative or judicial review only if the Secretary establishes a liability amount with respect to the fiscal year under paragraph (1)(C).

(C) Authority of Secretary with respect to liability amount

An action by the Secretary under subparagraph (D) or (F)(iii) of paragraph (1) shall not be subject to administrative or judicial review.

(8) Criteria for payment by a State agency

(A) This paragraph applies to the determination of whether a payment is due by a State agency for a fiscal year under paragraph (1).

(B) Not later than the first May 31 after the end of the fiscal year referred to in subparagraph (A), the case review and all arbitrations of State-Federal difference cases shall be completed.

(C) Not later than the first June 30 after the end of the fiscal year referred to in subparagraph (A), the Secretary shall—

(i) determine final error rates, the national average payment error rate, and the amounts of payment claimed against State agencies or liability amount established with respect to State agencies;

(ii) notify State agencies of the payment claims or liability amounts; and

(iii) provide a copy of the document providing notification under clause (ii) to the chief executive officer and the legislature of the State.

(D) A State agency desiring to appeal a payment claim or liability amount determined under subparagraph (C) shall submit to an administrative law judge—

(i) a notice of appeal, not later than 10 days after receiving a notice of the claim or liability amount; and

(ii) evidence in support of the appeal of the State agency, not later than 60 days after receiving a notice of the claim or liability amount.

(E) Not later than 60 days after a State agency submits evidence in support of the appeal, the Secretary shall submit responsive evi-

dence to the administrative law judge to the extent such evidence exists.

(F) Not later than 30 days after the Secretary submits responsive evidence, the State agency shall submit rebuttal evidence to the administrative law judge to the extent such evidence exists.

(G) The administrative law judge, after an evidentiary hearing, shall decide the appeal—

(i) not later than 60 days after receipt of rebuttal evidence submitted by the State agency; or

(ii) if the State agency does not submit rebuttal evidence, not later than 90 days after the State agency submits the notice of appeal and evidence in support of the appeal.

(H) In considering a claim or liability amount under this paragraph, the administrative law judge shall consider all grounds for denying the claim or liability amount, in whole or in part, including the contention of a State agency that the claim or liability amount should be waived, in whole or in part, for good cause.

(I) The deadlines in subparagraphs (D), (E), (F), and (G) shall be extended by the administrative law judge for cause shown.

(9) “Good cause” defined

As used in this subsection, the term “good cause” includes—

(A) a natural disaster or civil disorder that adversely affects food stamp program operations;

(B) a strike by employees of a State agency who are necessary for the determination of eligibility and processing of case changes under the food stamp program;

(C) a significant growth in food stamp caseload in a State prior to or during a fiscal year, such as a 15 percent growth in caseload;

(D) 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 of a State; and

(E) a significant circumstance beyond the control of the State agency.

(d) Bonuses for States that demonstrate high or most improved performance**(1) Fiscal years 2003 and 2004****(A) Guidance**

With respect to fiscal years 2003 and 2004, the Secretary shall establish, in guidance issued to State agencies not later than October 1, 2002—

(i) performance criteria relating to—

(I) actions taken to correct errors, reduce rates of error, and improve eligibility determinations; and

(II) other indicators of effective administration determined by the Secretary; and

(ii) standards for high and most improved performance to be used in awarding performance bonus payments under subparagraph (B)(ii).

(B) Performance bonus payments

With respect to each of fiscal years 2003 and 2004, the Secretary shall—

(i) measure the performance of each State agency with respect to the criteria established under subparagraph (A)(i); and

(ii) subject to paragraph (3), award performance bonus payments in the following fiscal year, in a total amount of \$48,000,000 for each fiscal year, to State agencies that meet standards for high or most improved performance established by the Secretary under subparagraph (A)(ii).

(2) Fiscal years 2005 and thereafter

(A) Regulations

With respect to fiscal year 2005 and each fiscal year thereafter, the Secretary shall—

(i) establish, by regulation, performance criteria relating to—

(I) actions taken to correct errors, reduce rates of error, and improve eligibility determinations; and

(II) other indicators of effective administration determined by the Secretary;

(ii) establish, by regulation, standards for high and most improved performance to be used in awarding performance bonus payments under subparagraph (B)(ii); and

(iii) before issuing proposed regulations to carry out clauses (i) and (ii), solicit ideas for performance criteria and standards for high and most improved performance from State agencies and organizations that represent State interests.

(B) Performance bonus payments

With respect to fiscal year 2005 and each fiscal year thereafter, the Secretary shall—

(i) measure the performance of each State agency with respect to the criteria established under subparagraph (A)(i); and

(ii) subject to paragraph (3), award performance bonus payments in the following fiscal year, in a total amount of \$48,000,000 for each fiscal year, to State agencies that meet standards for high or most improved performance established by the Secretary under subparagraph (A)(ii).

(3) Prohibition on receipt of performance bonus payments

A State agency shall not be eligible for a performance bonus payment with respect to any fiscal year for which the State agency has a liability amount established under subsection (c)(1)(C) of this section.

(4) Payments not subject to judicial review

A determination by the Secretary whether, and in what amount, to award a performance bonus payment under this subsection shall not be subject to administrative or judicial review.

(e) Use of social security account numbers; access to information

The Secretary and State agencies shall (1) require, as a condition of eligibility for participation in the food stamp program, that each household member furnish to the State agency their social security account number (or numbers, if they have more than one number), and (2) use such account numbers in the administration of the food stamp program. The Secretary

and State agencies shall have access to the information regarding individual food stamp program applicants and participants who receive benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] that has been provided to the Commissioner of Social Security, but only to the extent that the Secretary and the Commissioner of Social Security determine necessary for purposes of determining or auditing a household's eligibility to receive assistance or the amount thereof under the food stamp program, or verifying information related thereto.

(f) Payment of certain legal fees

Notwithstanding any other provision of law, counsel may be employed and counsel fees, court costs, bail, and other expenses incidental to the defense of officers and employees of the Department of Agriculture may be paid in judicial or administrative proceedings to which such officers and employees have been made parties and that arise directly out of their performance of duties under this chapter.

(g) Cost sharing for computerization

The Secretary is authorized to pay to each State agency the amount provided under subsection (a)(6) of this section for the costs incurred by the State agency in the planning, design, development, or installation of automatic data processing and information retrieval systems that the Secretary determines (1) will assist in meeting the requirements of this chapter, (2) meet such conditions as the Secretary prescribes, (3) are likely to provide more efficient and effective administration of the food stamp program, and (4) will be compatible with other such systems used in the administration of State programs funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.]: *Provided*, That there shall be no such payments to the extent that a State agency is reimbursed for such costs under any other Federal program or uses such systems for purposes not connected with the food stamp program: *Provided further*, That any costs matched under this subsection shall be excluded in determining the State agency's administrative costs under any other subsection of this section.

(h) Funding of employment and training programs

(1) IN GENERAL.—

(A) AMOUNTS.—To carry out employment and training programs, the Secretary shall reserve for allocation to State agencies, to remain available until expended, from funds made available for each fiscal year under section 2027(a)(1) of this title the amount of—

(i) for fiscal year 1996, \$75,000,000;

(ii) for fiscal year 1997, \$79,000,000;

(iii) for fiscal year 1998—

(I) \$81,000,000; and

(II) an additional amount of \$131,000,000;

(iv) for fiscal year 1999—

(I) \$84,000,000; and

(II) an additional amount of \$31,000,000;

(v) for fiscal year 2000—

(I) \$86,000,000; and

(II) an additional amount of \$86,000,000;

(vi) for fiscal year 2001—

- (I) \$88,000,000; and
- (II) an additional amount of \$131,000,000; and

(vii) for each of fiscal years 2002 through 2007, \$90,000,000.

(B) ALLOCATION.—Funds made available under subparagraph (A) shall be made available to and reallocated among State agencies under a reasonable formula that—

- (i) is determined and adjusted by the Secretary; and
- (ii) takes into account the number of individuals who are not exempt from the work requirement under section 2015(o) of this title.

(C) REALLOCATION.—If a State agency will not expend all of the funds allocated to the State agency for a fiscal year under subparagraph (B), the Secretary shall reallocate the unexpended funds to other States (during the fiscal year or the subsequent fiscal year) as the Secretary considers appropriate and equitable.

(D) MINIMUM ALLOCATION.—Notwithstanding subparagraph (B), the Secretary shall ensure that each State agency operating an employment and training program shall receive not less than \$50,000 for each fiscal year.

(E) ADDITIONAL ALLOCATIONS FOR STATES THAT ENSURE AVAILABILITY OF WORK OPPORTUNITIES.—

(i) IN GENERAL.—In addition to the allocations under subparagraph (A), from funds made available under section 2027(a)(1) of this title, the Secretary shall allocate not more than \$20,000,000 for each of fiscal years 2002 through 2007 to reimburse a State agency that is eligible under clause (ii) for the costs incurred in serving food stamp recipients who—

- (I) are not eligible for an exception under section 2015(o)(3) of this title; and
- (II) are placed in and comply with a program described in subparagraph (B) or (C) of section 2015(o)(2) of this title.

(ii) ELIGIBILITY.—To be eligible for an additional allocation under clause (i), a State agency shall make and comply with a commitment to offer a position in a program described in subparagraph (B) or (C) of section 2015(o)(2) of this title to each applicant or recipient who—

- (I) is in the last month of the 3-month period described in section 2015(o)(2) of this title;
- (II) is not eligible for an exception under section 2015(o)(3) of this title;
- (III) is not eligible for a waiver under section 2015(o)(4) of this title; and
- (IV) is not exempt under section 2015(o)(6) of this title.

(2) If, in carrying out such program during such fiscal year, a State agency incurs costs that exceed the amount allocated to the State agency under paragraph (1), the Secretary shall pay such State agency an amount equal to 50 per centum of such additional costs, subject to the first limitation in paragraph (3), including the

costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work.

(3) The Secretary shall also reimburse each State agency in an amount equal to 50 per centum of the total amount of payments made or costs incurred by the State agency in connection with transportation costs and other expenses reasonably necessary and directly related to participation in an employment and training program under section 2015(d)(4) of this title, except that the amount of the reimbursement for dependent care expenses shall not exceed an amount equal to the payment made under section 2015(d)(4)(I)(i)(II) of this title but not more than the applicable local market rate, and such reimbursement shall not be made out of funds allocated under paragraph (1).

(4) Funds provided to a State agency under this subsection may be used only for operating an employment and training program under section 2015(d)(4) of this title, and may not be used for carrying out other provisions of this chapter.

(5) The Secretary shall monitor the employment and training programs carried out by State agencies under section 2015(d)(4) of this title to measure their effectiveness in terms of the increase in the numbers of household members who obtain employment and the numbers of such members who retain such employment as a result of their participation in such employment and training programs.

(i) Geographical error-prone profiles

(1) The Department of Agriculture may use quality control information made available under this section to determine which project areas have payment error rates (as defined in subsection (d)(1) of this section) that impair the integrity of the food stamp program.

(2) The Secretary may require a State agency to carry out new or modified procedures for the certification of households in areas identified under paragraph (1) if the Secretary determines such procedures would improve the integrity of the food stamp program and be cost effective.

(j) Training materials regarding certification of farming households

Not later than 180 days after September 19, 1988, and annually thereafter, the Secretary shall publish instructional materials specifically designed to be used by the State agency to provide intensive training to State agency personnel who undertake the certification of households that include a member who engages in farming.

(k) Reductions in payments for administrative costs

(1) Definitions

In this subsection:

(A) AFDC program

The term “AFDC program” means the program of aid to families with dependent children established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq. (as in effect, with respect to a State, during the base period for that State)).

(B) Base period

The term “base period” means the period used to determine the amount of the State

family assistance grant for a State under section 403 of the Social Security Act (42 U.S.C. 603).

(C) Medicaid program

The term “medicaid program” means the program of medical assistance under a State plan or under a waiver of the plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(2) Determinations of amounts attributable to benefiting programs

Not later than 180 days after June 23, 1998, the Secretary of Health and Human Services, in consultation with the Secretary of Agriculture and the States, shall, with respect to the base period for each State, determine—

(A) the annualized amount the State received under section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3) (as in effect during the base period)) for administrative costs common to determining the eligibility of individuals, families, and households eligible or applying for the AFDC program and the food stamp program, the AFDC program and the medicaid program, and the AFDC program, the food stamp program, and the medicaid program that were allocated to the AFDC program; and

(B) the annualized amount the State would have received under section 403(a)(3) of the Social Security Act (42 U.S.C. 603(a)(3) (as so in effect)), section 1903(a)(7) of the Social Security Act (42 U.S.C. 1396b(a)(7) (as so in effect)), and subsection (a) of this section (as so in effect), for administrative costs common to determining the eligibility of individuals, families, and households eligible or applying for the AFDC program and the food stamp program, the AFDC program and the medicaid program, and the AFDC program, the food stamp program, and the medicaid program, if those costs had been allocated equally among such programs for which the individual, family, or household was eligible or applied for.

(3) Reduction in payment

(A) In general

Notwithstanding any other provision of this section, effective for each of fiscal years 1999 through 2007, the Secretary shall reduce, for each fiscal year, the amount paid under subsection (a) of this section to each State by an amount equal to the amount determined for the food stamp program under paragraph (2)(B). The Secretary shall, to the extent practicable, make the reductions required by this paragraph on a quarterly basis.

(B) Application

If the Secretary of Health and Human Services does not make the determinations required by paragraph (2) by September 30, 1999—

(i) during the fiscal year in which the determinations are made, the Secretary shall reduce the amount paid under subsection (a) of this section to each State by an amount equal to the sum of the

amounts determined for the food stamp program under paragraph (2)(B) for fiscal year 1999 through the fiscal year during which the determinations are made; and

(ii) for each subsequent fiscal year through fiscal year 2007, subparagraph (A) applies.

(4) Appeal of determinations

(A) In general

Not later than 5 days after the date on which the Secretary of Health and Human Services makes any determination required by paragraph (2) with respect to a State, the Secretary shall notify the chief executive officer of the State of the determination.

(B) Review by administrative law judge

(i) In general

Not later than 60 days after the date on which a State receives notice under subparagraph (A) of a determination, the State may appeal the determination, in whole or in part, to an administrative law judge of the Department of Health and Human Services by filing an appeal with the administrative law judge.

(ii) Documentation

The administrative law judge shall consider an appeal filed by a State under clause (i) on the basis of such documentation as the State may submit and as the administrative law judge may require to support the final decision of the administrative law judge.

(iii) Review

In deciding whether to uphold a determination, in whole or in part, the administrative law judge shall conduct a thorough review of the issues and take into account all relevant evidence.

(iv) Deadline

Not later than 60 days after the date on which the record is closed, the administrative law judge shall—

(I) make a final decision with respect to an appeal filed under clause (i); and

(II) notify the chief executive officer of the State of the decision.

(C) Review by Departmental Appeals Board

(i) In general

Not later than 30 days after the date on which a State receives notice under subparagraph (B) of a final decision, the State may appeal the decision, in whole or in part, to the Departmental Appeals Board established in the Department of Health and Human Services (referred to in this paragraph as the “Board”) by filing an appeal with the Board.

(ii) Review

The Board shall review the decision on the record.

(iii) Deadline

Not later than 60 days after the date on which the appeal is filed, the Board shall—

(I) make a final decision with respect to an appeal filed under clause (i); and

(II) notify the chief executive officer of the State of the decision.

(D) Judicial review

The determinations of the Secretary of Health and Human Services under paragraph (2), and a final decision of the administrative law judge or Board under subparagraphs (B) and (C), respectively, shall not be subject to judicial review.

(E) Reduced payments pending appeal

The pendency of an appeal under this paragraph shall not affect the requirement that the Secretary reduce payments in accordance with paragraph (3).

(5) Allocation of administrative costs

(A) In general

No funds or expenditures described in subparagraph (B) may be used to pay for costs—

(i) eligible for reimbursement under subsection (a) of this section (or costs that would have been eligible for reimbursement but for this subsection); and

(ii) allocated for reimbursement to the food stamp program under a plan submitted by a State to the Secretary of Health and Human Services to allocate administrative costs for public assistance programs.

(B) Funds and expenditures

Subparagraph (A) applies to—

(i) funds made available to carry out part A of title IV, or title XX, of the Social Security Act (42 U.S.C. 601 et seq., 1397 et seq.);

(ii) expenditures made as qualified State expenditures (as defined in section 409(a)(7)(B) of that Act (42 U.S.C. 609(a)(7)(B)));

(iii) any other Federal funds (except funds provided under subsection (a) of this section); and

(iv) any other State funds that are—

(I) expended as a condition of receiving Federal funds; or

(II) used to match Federal funds under a Federal program other than the food stamp program.

(Pub. L. 88-525, §16, Aug. 31, 1964, 78 Stat. 709; Pub. L. 90-91 §§1, 2, Sept. 27, 1967, 81 Stat. 228; Pub. L. 90-552, Oct. 8, 1968, 82 Stat. 958; Pub. L. 91-116, Nov. 13, 1969, 83 Stat. 191; Pub. L. 91-671, §9, Jan. 11, 1971, 84 Stat. 2052; Pub. L. 93-86, §3(j), Aug. 10, 1973, 87 Stat. 248; Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 976; Pub. L. 96-58, §§4, 6, Aug. 14, 1979, 93 Stat. 391; Pub. L. 96-249, title I, §§121, 125, 126, 128, 129, May 26, 1980, 94 Stat. 363, 364, 367; Pub. L. 97-35, title I, §§111(b), 114, Aug. 13, 1981, 95 Stat. 362, 363; Pub. L. 97-98, title XIII, §§1325-1327, Dec. 22, 1981, 95 Stat. 1289; Pub. L. 97-253, title I, §§179, 180(a), 189(b)(3), (c), Sept. 8, 1982, 96 Stat. 782, 787; Pub. L. 99-198, title XV, §§1517(c), 1524, 1535(c)(1), 1537(a), 1539, Dec. 23, 1985, 99 Stat. 1577, 1580, 1585, 1588; Pub. L. 99-603, title I, §121(b)(5), Nov. 6, 1986, 100 Stat. 3391; Pub. L. 100-77, title VIII, §808(b), July 22, 1987, 101 Stat. 536; Pub. L. 100-435, title II, §204(b), title III, §321(b), (c), title IV, §404(e), (g), title VI, §604, Sept. 19, 1988, 102

Stat. 1657, 1662, 1668, 1675; Pub. L. 101-624, title XVII, §§1750, 1752(a), 1753, Nov. 28, 1990, 104 Stat. 3797, 3798; Pub. L. 102-237, title IX, §941(7), Dec. 13, 1991, 105 Stat. 1892; Pub. L. 103-66, title XIII, §§13922(c), 13951(c), 13961, Aug. 10, 1993, 107 Stat. 675, 678, 679; Pub. L. 103-296, title I, §108(f)(2), Aug. 15, 1994, 108 Stat. 1487; Pub. L. 104-66, title I, §1011(j), Dec. 21, 1995, 109 Stat. 710; Pub. L. 104-127, title IV, §401(b), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 104-193, title I, §109(c), title VIII, §§817(b)-(d), 844(c), 847, 848(a), (b)(2), 849, Aug. 22, 1996, 110 Stat. 2169, 2319, 2320, 2333-2335; Pub. L. 105-33, title I, §1002(a), Aug. 5, 1997, 111 Stat. 252; Pub. L. 105-185, title V, §§501, 502(a), June 23, 1998, 112 Stat. 575; Pub. L. 106-78, title VII, §758, Oct. 22, 1999, 113 Stat. 1172; Pub. L. 107-171, title IV, §§4118(a), 4119(a), 4120(a), 4121(a), (d), 4122(a), May 13, 2002, 116 Stat. 316, 321, 323, 324.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (e), (g), and (k), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. Titles XVI, XIX, and XX of the Act are classified generally to subchapters XVI (§1381 et seq.), XIX (§1396 et seq.), and XX (§1397 et seq.), respectively, of chapter 7 of Title 42. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

CODIFICATION

September 19, 1988, referred to in subsec. (d)(2), was in the original “the date of enactment of this section”, which was translated as meaning the date of enactment of Pub. L. 100-435, which enacted provisions of this section establishing the payment error improvement system, as the probable intent of Congress.

AMENDMENTS

Subsec. (c). Pub. L. 107-171, §4118(a)(1), inserted heading.

Subsec. (c)(1). Pub. L. 107-171, §4118(a)(1), added par. (1) and struck out former par. (1) which related to payment error improvement system.

Subsec. (c)(4). Pub. L. 107-171, §4118(a)(2), inserted heading and substituted “The Secretary may require a State agency to report any factors that the Secretary considers necessary to determine a State agency’s payment error rate, liability amount or new investment amount under paragraph (1), or performance under the performance measures under subsection (d) of this section.” for “The Secretary may require a State agency to report any factors that the Secretary considers necessary to determine a State agency’s payment error rate, enhanced administrative funding, or claim for payment error, under this subsection.”

Subsec. (c)(5). Pub. L. 107-171, §4118(a)(3), inserted heading and substituted “To facilitate the implementation of this subsection, each State agency shall expeditiously submit to the Secretary data concerning the operations of the State agency in each fiscal year sufficient for the Secretary to establish the State agency’s payment error rate, liability amount or new investment amount under paragraph (1), or performance under the performance measures under subsection (d) of this section.” for “To facilitate the implementation of this subsection each State agency shall submit to the Secretary expeditiously data regarding its operations in each fiscal year sufficient for the Secretary to establish the payment error rate for the State agency for such fiscal year and determine the amount of either incentive payments under paragraph (1)(A) or claims under paragraph (1)(C). The Secretary shall make a determination for a fiscal year, and notify the State agency of such determination, within nine months following the end of each fiscal year.” and “paragraph (1)

for a fiscal year” for “paragraph (1)(C) for a fiscal year”.

Subsec. (c)(6). Pub. L. 107–171, §4118(a)(4), inserted heading, designated first sentence as subpar. (A), inserted heading, struck out “and incentive payments or claims pursuant to paragraphs (1)(A) and (1)(C)” after “State agencies of their error rates”, and substituted “paragraph (8)” for “paragraph (5)” in two places, designated second sentence as subpar. (B) and inserted heading, designated third sentence as subpar. (C), inserted heading, and substituted “the liability amount of a State under paragraph (1)(C)” for “the State share of the cost of payment error under paragraph (1)(C)” and “paragraph (8)” for “paragraph (5)”, and added subpar. (D).

Subsec. (c)(7). Pub. L. 107–171, §4118(a)(5), inserted heading, designated existing provisions as subpar. (A), inserted heading, substituted “Except as provided in subparagraphs (B) and (C), if the Secretary asserts a financial claim against or establishes a liability amount with respect to” for “If the Secretary asserts a financial claim against” and “paragraph (1)” for “paragraph (1)(C)”, and added subpars. (B) and (C).

Subsec. (c)(8)(A). Pub. L. 107–171, §4118(a)(6)(A), substituted “paragraph (1)” for “paragraph (1)(C)”.

Subsec. (c)(8)(B). Pub. L. 107–171, §4119(a)(1), substituted “the first May 31 after the end of the fiscal year referred to in subparagraph (A)” for “180 days after the end of the fiscal year”.

Subsec. (c)(8)(C). Pub. L. 107–171, §4119(a)(2), substituted “the first June 30 after the end of the fiscal year referred to in subparagraph (A)” for “30 days thereafter” in introductory provisions.

Subsec. (c)(8)(C)(i). Pub. L. 107–171, §4118(a)(6)(B)(i), substituted “payment claimed against State agencies or liability amount established with respect to State agencies;” for “payment claimed against State agencies; and”.

Subsec. (c)(8)(C)(ii). Pub. L. 107–171, §4118(a)(6)(B)(ii), substituted “claims or liability amounts; and” for “claims.”

Subsec. (c)(8)(C)(iii). Pub. L. 107–171, §4118(a)(6)(B)(iii), added cl. (iii).

Subsec. (c)(8)(D), (H). Pub. L. 107–171, §4118(a)(6)(C), inserted “or liability amount” after “claim” wherever appearing.

Subsec. (d). Pub. L. 107–171, §4120(a), added subsec. (d) and struck out former subsec. (d) which read as follows: “The Secretary shall undertake the following studies of the payment error improvement system established under subsection (c) of this section:

“(1) An assessment of the feasibility of measuring payment errors due to improper denials and terminations of benefits or otherwise developing performance standards with financial consequences for improper denials and terminations, including incorporation in subsection (c) of this section. The Secretary shall report the results of such study and the recommendations of the Secretary to the Congress by July 1, 1990.

“(2) An evaluation of the effectiveness of the system of program improvement initiated under this section that shall be reported to the Congress along with the Secretary’s recommendations no later than 3 years from September 19, 1988.”

Subsec. (h)(1)(A)(vii). Pub. L. 107–171, §4121(a)(1), added cl. (vii) and struck out former cl. (vii) which read as follows: “for fiscal year 2002—

“(I) \$90,000,000; and

“(II) an additional amount of \$75,000,000.”

Subsec. (h)(1)(B). Pub. L. 107–171, §4121(a)(2), added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows:

“(i) ALLOCATION FORMULA.—The Secretary shall allocate the amounts reserved under subparagraph (A) among the State agencies using a reasonable formula, as determined and adjusted by the Secretary each fiscal year, to reflect—

“(I) changes in each State’s caseload (as defined in section 2015(o)(6)(A) of this title);

“(II) for fiscal year 1998, the portion of food stamp recipients who reside in each State who are not eligible for an exception under section 2015(o)(3) of this title; and

“(III) for each of fiscal years 1999 through 2002, the portion of food stamp recipients who reside in each State who are not eligible for an exception under section 2015(o)(3) of this title and who—

“(aa) do not reside in an area subject to a waiver granted by the Secretary under section 2015(o)(4) of this title; or

“(bb) do reside in an area subject to a waiver granted by the Secretary under section 2015(o)(4) of this title, if the State agency provides employment and training services in the area to food stamp recipients who are not eligible for an exception under section 2015(o)(3) of this title.

“(ii) ESTIMATED FACTORS.—The Secretary shall estimate the portion of food stamp recipients who reside in each State who are not eligible for an exception under section 2015(o)(3) of this title based on the survey conducted to carry out subsection (c) of this section for fiscal year 1996 and such other factors as the Secretary considers appropriate due to the timing and limitations of the survey.

“(iii) REPORTING REQUIREMENT.—A State agency shall submit such reports to the Secretary as the Secretary determines are necessary to ensure compliance with this paragraph.”

Subsec. (h)(1)(E) to (G). Pub. L. 107–171, §4121(a)(3), added subpar. (E) and struck out heading and text of former subpars. (E) to (G) which related to use of funds, maintenance of effort, and component costs, respectively.

Subsec. (h)(3). Pub. L. 107–171, §4121(d), substituted “the amount of the reimbursement for dependent care expenses shall not exceed” for “such total amount shall not exceed an amount representing \$25 per participant per month for costs of transportation and other actual costs (other than dependent care costs) and”.

Subsec. (k)(3)(A). Pub. L. 107–171, §4122(a)(1), substituted “2007” for “2002”.

Subsec. (k)(3)(B)(ii). Pub. L. 107–171, §4122(a)(2), substituted “2007” for “2002”.

1999—Subsec. (a). Pub. L. 106–78, which directed the amendment of “the Food Stamp Act (Public Law 95–113, section 16(a))” by inserting “or in a Native village within the State of Alaska identified in section 1610(b) of title 43.” before “such amounts”, was executed by making the amendment to this section, which is section 16(a) of the Food Stamp Act of 1977, Pub. L. 95–525, as amended by Pub. L. 95–113, to reflect the probable intent of Congress.

1998—Subsec. (a). Pub. L. 105–185, §502(a)(1), substituted “Subject to subsection (k) of this section, the Secretary” for “The Secretary” in first sentence.

Subsec. (h)(1)(A)(iv)(II). Pub. L. 105–185, §501(1), substituted “\$31,000,000” for “\$131,000,000”.

Subsec. (h)(1)(A)(v)(II). Pub. L. 105–185, §501(2), substituted “\$86,000,000” for “\$131,000,000”.

Subsec. (k). Pub. L. 105–185, §502(a)(2), added subsec. (k).

1997—Subsec. (h)(1). Pub. L. 105–33 added par. (1) and struck out former par. (1) consisting of subpars. (A) to (D) requiring the Secretary to reserve for allocation to State agencies specified amounts for fiscal years 1996 to 2002 to carry out employment and training programs.

1996—Subsec. (a). Pub. L. 104–193, §§844(c), 847, inserted “but not including recruitment activities,” before “(5) fair” and substituted “35 percent of the value of all funds or allotments recovered or collected pursuant to sections 2015(b) and 2022(c) of this title and 20 percent of the value of any other funds or allotments recovered or collected, except the value of funds or allotments recovered or collected that arise” for “25 percent during the period beginning October 1, 1990, and ending September 30, 1995, and 50 percent thereafter of the value of all funds or allotments recovered or collected pursuant to subsections (b)(1) and (c) of section 2022 of this title and 10 percent during the period begin-

ning October 1, 1990, and ending September 30, 1995, and 25 percent thereafter of the value of all funds or allotments recovered or collected pursuant to section 2022(b)(2) of this title, except the value of funds or allotments recovered or collected pursuant to section 2022(b)(2) of this title which arise”.

Subsec. (b). Pub. L. 104-193, §§848(a), 849, added subsec. (b) and struck out former subsec. (b) which read as follows: “The Secretary shall (1) establish standards for the efficient and effective administration of the food stamp program by the States, including standards for the periodic review of the hours that food stamp offices are open during the day, week, or month to ensure that employed individuals are adequately served by the food stamp program, and (2) instruct each State to submit, at regular intervals, reports which shall specify the specific administrative actions proposed to be taken and implemented in order to meet the efficiency and effectiveness standards established pursuant to clause (1) of this subsection.”

Subsec. (c)(1)(B). Pub. L. 104-193, §848(b)(2), struck out “pursuant to subsection (b) of this section” after “by the States”.

Subsec. (g)(4). Pub. L. 104-193, §109(c), substituted “State programs funded under part A of” for “State plans under the Aid to Families with Dependent Children Program under”.

Subsec. (h). Pub. L. 104-193, §817(b), inserted subsec. heading.

Subsec. (h)(1). Pub. L. 104-193, §817(b), added par. (1) and struck out former par. (1) which authorized Secretary to allocate funds among State agencies for each of the fiscal years 1991 through 2002 to carry out employment and training program under section 2015(d)(4) of this title.

Pub. L. 104-127, §401(b), substituted “2002” for “1995” wherever appearing in subpars. (A), (B), (D), and (E)(ii).

Subsec. (h)(2). Pub. L. 104-193, §817(c), inserted before period at end “, including the costs for case management and casework to facilitate the transition from economic dependency to self-sufficiency through work”.

Subsec. (h)(5). Pub. L. 104-193, §817(d)(1), struck out “(A)” before “The Secretary shall” and struck out subpar. (B) which read as follows: “The Secretary shall, not later than January 1, 1989, report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the effectiveness of such employment and training programs.”

Subsec. (h)(6). Pub. L. 104-193, §817(d)(2), struck out par. (6) which read as follows: “The Secretary shall develop, and transmit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a proposal for modifying the rate of Federal payments under this subsection so as to reflect the relative effectiveness of the various States in carrying out employment and training programs under section 2015(d)(4) of this title.”

1995—Subsec. (i)(3). Pub. L. 104-66 struck out par. (3) which read as follows: “Not later than 12 months after December 23, 1985, and each 12 months thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that lists project areas identified under paragraph (1) and describes any procedures required to be carried out under paragraph (2).”

1994—Subsec. (e). Pub. L. 103-296 substituted “Commissioner of Social Security” for “Secretary of Health and Human Services” in two places.

1993—Subsec. (a). Pub. L. 103-66, §13961(1), added cls. (6) to (8) and in proviso struck out “authorized to pay each State agency an amount not less than 75 per centum of the costs of State food stamp program investigations and prosecutions, and is further” after “That the Secretary is”.

Subsec. (c)(1)(C). Pub. L. 103-66, §13951(c)(1), substituted “national performance measure” for “payment

error tolerance level” and substituted “equal to—” followed by cl. (i) for “equal to its payment error rate less such tolerance level times the total value of allotments issued in such a fiscal year by such State agency.”

Subsec. (c)(3)(A). Pub. L. 103-66, §13951(c)(2), substituted “120 days” for “60 days (or 90 days at the discretion of the Secretary)”.

Subsec. (c)(6). Pub. L. 103-66, §13951(c)(3), struck out “shall be used to establish a payment-error tolerance level. Such tolerance level for any fiscal year will be one percentage point added to the lowest national performance measure ever announced up to and including such fiscal year under this section. The payment-error tolerance level” after “The announced national performance measure”.

Subsec. (c)(8), (9). Pub. L. 103-66, §13951(c)(4), added pars. (8) and (9).

Subsec. (g). Pub. L. 103-66, §13961(2), which directed the substitution of “the amount provided under subsection (a)(6) of this section for” for “an amount equal to 63 percent effective on October 1, 1991, of”, was executed to reflect the probable intent of Congress by making the substitution for “an amount equal to—
“63 percent effective on October 1, 1991, of”.

Subsec. (h)(3). Pub. L. 103-66, §13922(c), substituted “equal to the payment made under section 2015(d)(4)(I)(i)(II) of this title but not more than the applicable local market rate,” for “representing \$160 per month per dependent”.

Subsecs. (j), (k). Pub. L. 103-66, §13961(3), (4), redesignated subsec. (k) as (j) and struck out former subsec. (j) which read as follows: “The Secretary is authorized to pay to each State agency an amount equal to 100 per centum of the costs incurred by the State agency in implementing and operating the immigration status verification system described in section 1137(d) of the Social Security Act.”

1991—Subsec. (g). Pub. L. 102-237, §941(7)(A), inserted a comma after “1991”.

Subsec. (h)(4). Pub. L. 102-237, §941(7)(B), substituted “this chapter” for “the chapter”.

1990—Subsec. (a). Pub. L. 101-624, §1750, substituted “25 percent during the period beginning October 1, 1990, and ending September 30, 1995, and 50 percent thereafter” for “50 per centum”, and “10 percent during the period beginning October 1, 1990, and ending September 30, 1995, and 25 percent thereafter” for “25 per centum”.

Subsec. (g). Pub. L. 101-624, §1752(a), substituted “The” for “Effective October 1, 1980, the” and “63 percent effective on October 1, 1991” for “75 per centum”.

Subsec. (h)(1). Pub. L. 101-624, §1753, amended par. (1) generally. Prior to amendment, par. (1) read as follows: “The Secretary shall allocate among the State agencies in each fiscal year, from funds appropriated for such fiscal year under section 2027(a)(1) of this title, the amount of \$40,000,000 for the fiscal year ending September 30, 1986, \$50,000,000 for the fiscal year ending September 30, 1987, \$60,000,000 for the fiscal year ending September 30, 1988, and \$75,000,000 for each of the fiscal years ending September 30, 1989 and September 30, 1990, to carry out the employment and training program under section 2015(d)(4) of this title, except as provided in paragraph (3), during such fiscal year.”

1988—Subsec. (a)(4). Pub. L. 100-435, §204(b), substituted “, including those undertaken” for “permitted”.

Subsec. (c). Pub. L. 100-435, §604(1), added subsec. (c) and struck out former subsec. (c) which related to State incentives for reducing error.

Subsec. (d). Pub. L. 100-435, §604(2), added subsec. (d) and struck out former subsec. (d) which defined “payment error rate” and instituted error rate reduction program.

Subsec. (h). Pub. L. 100-435, §321(c), redesignated subsec. (h), relating to payment of costs of immigration status verification system, as (j).

Subsec. (h)(3). Pub. L. 100-435, §404(g), inserted “for costs of transportation and other actual costs (other than dependent care costs) and an amount representing \$160 per month per dependent” after “month”.

Subsec. (h)(6). Pub. L. 100-435, §404(e), added par. (6).
 Subsec. (j). Pub. L. 100-435, §321(c), redesignated subsec. (h), relating to payment of costs of immigration status verification system, as (j).

Subsec. (k). Pub. L. 100-435, §321(b), added subsec. (k).
 1987—Subsec. (a). Pub. L. 100-77 substituted “(4) food stamp informational activities permitted under section 2020(e)(1)(A) of this title, and (5)” for “and (4)” in first sentence.

1986—Subsec. (h). Pub. L. 99-603 added, at end of section, subsec. (h) relating to payment of costs of immigration status verification system.

1985—Subsec. (a). Pub. L. 99-198, §1535(c)(1), substituted “subsections (b)(1) and (c) of section 2022 of this title” for “section 2022(b)(1) of this title”.

Subsec. (b)(1). Pub. L. 99-198, §1524, inserted “, including standards for the periodic review of the hours that food stamp offices are open during the day, week, or month to ensure that employed individuals are adequately served by the food stamp program,” after “States”.

Subsec. (d)(2)(A). Pub. L. 99-198, §1537(a)(1), inserted “less any amount payable as a result of the use by the State agency of correctly processed information received from an automatic information exchange system made available by any Federal department or agency”.

Subsec. (d)(6). Pub. L. 99-198, §1537(a)(2), added par. (6).

Subsec. (h). Pub. L. 99-198, §1517(c), added subsec. (h) relating to authorization of appropriations, etc.

Subsec. (i). Pub. L. 99-198, §1539, added subsec. (i).

1982—Subsec. (a). Pub. L. 97-253, §179, inserted “, except the value of funds or allotments recovered or collected pursuant to section 2022(b)(2) of this title which arise from an error of a State agency”.

Subsec. (c). Pub. L. 97-253, §180(a)(1), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “The Secretary is authorized to adjust a State agency’s federally funded share of administrative costs pursuant to subsection (a) of this section, other than the costs already shared in excess of 50 per centum as described in the exception clause of subsection (a) of this section, by increasing such share to (1) effective October 1, 1978, 60 per centum of all such administrative costs in the case of a State agency whose (A) semi-annual cumulative allotment error rates with respect to eligibility, overissuance, and underissuance as calculated in the quality control program undertaken pursuant to subsection (d)(1) of this section are less than five per centum and (B) whose rate of invalid decisions in denying eligibility as calculated in the quality control program conducted under subsection (d)(1) of this section is less than a nationwide percentage that the Secretary determines to be reasonable; (2) effective October 1, 1980, 65 per centum of all such administrative costs in the case of a State agency meeting the standards contained in paragraph (1) of this subsection; (3) effective October 1, 1980, 60 per centum of all such administrative costs in the case of a State agency whose cumulative allotment error rate as determined under paragraph (1)(A) of this subsection is greater than 5 per centum but less than 8 per centum or the national standard payment error rate for the base period, whichever is lower, and which also meets the standard contained in paragraph (1)(B) of this subsection; and (4) effective October 1, 1980, 55 per centum of all such administrative costs in the case of a State agency whose annual rate of error reduction is equal to or exceeds 25 per centum, and, effective October 1, 1981, which also meets the standard contained in paragraph (1)(B) of this subsection. No State agency shall receive more than one of the increased federally funded shares of administrative costs set forth in paragraphs (1) through (4) of this subsection.”

Subsec. (d). Pub. L. 97-253, §180(a)(2), (3), added subsec. (d), and struck out former subsec. (d) which provided that effective October 1, 1981, and annually thereafter, each State not receiving an increased share of administrative costs pursuant to subsec. (c)(2) of this section was required to develop and submit to the Sec-

retary for approval, as part of the plan of operation required to be submitted under section 2020(d) of this title, a quality control plan for the State which had to specify the actions such State proposes to take in order to reduce the incidence of error rates in and the value of food stamp allotments for households which failed to meet basic program eligibility requirements, food stamp allotments overissued to eligible households, and food stamp allotments underissued to eligible households, and (2) the incidence of invalid decisions in certifying or denying eligibility.

Subsec. (e). Pub. L. 97-253, §§180(a)(2), 189(b)(3), redesignated subsec. (f) as (e), substituted reference to the Secretary of Health and Human Services for former reference to the Secretary of Health, Education, and Welfare. Former subsec. (e), which defined “quality control” as the monitoring and reduction of the rate of errors in determining basic eligibility and benefit levels, was struck out.

Subsec. (f). Pub. L. 97-253, §§180(a)(2), 189(c), redesignated subsec. (h) as (f), substituted a period for the semicolon, and struck out “and” at the end. Former subsec. (f) redesignated (e).

Subsec. (g). Pub. L. 97-253, §180(a)(2), redesignated former subsec. (i) as (g). Former subsec. (g), which related to State liability for error under this section, was struck out.

Subsecs. (h), (i). Pub. L. 97-253, §180(a)(2), redesignated subsecs. (h) and (i) as (f) and (g), respectively.

1981—Subsec. (a). Pub. L. 97-35 substituted provisions relating to recovery through section 2022(b)(1) and (2) of this title for provisions relating to recovery through prosecutions or other State activities, substituted “determinations of ineligibility” for “determinations of fraud”, struck out “(1) outreach,” and redesignated cls. (2) to (5) as (1) to (4), respectively.

Subsec. (b)(1). Pub. L. 97-98, §1325, struck out “, including, but not limited to, staffing standards such as caseload per certification worker limitations,” after “by the States”.

Subsec. (c). Pub. L. 97-98, §1326(1), inserted “, and, effective October 1, 1981, which also meets the standard contained in paragraph (1)(B) of this subsection” after “exceeds 25 per centum”.

Subsec. (d). Pub. L. 97-98, §1326(2), substituted in provision preceding par. (1) “October 1, 1981” for “October 1, 1978” and “subsection (c)(2) of this section” for “subsection (c) of this section”.

Subsec. (f). Pub. L. 97-98, §1327, substituted “State agencies shall” for “State agencies may”.

1980—Subsec. (b). Pub. L. 96-249, §121, struck out provisions requiring that if the Secretary finds that a State has failed without good cause to meet any of the Secretary’s standards, or has failed to carry out the approved State plan of operation under section 2020(d) of this title, the Secretary withhold from the State such funds authorized under subsections (a) and (c) of this section as the Secretary determines to be appropriate.

Subsec. (c). Pub. L. 96-249, §125, designated existing provisions as par. (1), substituted “(A) semiannual cumulative” for “cumulative”, and added subpar. (B) and pars. (2) to (4).

Subsec. (g). Pub. L. 96-249, §126, added subsec. (g).

Subsec. (h). Pub. L. 96-249, §128, added subsec. (h).

Subsec. (i). Pub. L. 96-249, §129, added subsec. (i).

1979—Subsec. (a). Pub. L. 96-58, §6, authorized the Secretary to permit each State to retain 50 per centum of the value of all funds or allotments recovered or collected through prosecutions or other State activities directed against individuals who fraudulently obtain allotments as determined in accordance with this chapter but directed that officials responsible for making determinations of fraud under this chapter should not receive or benefit from revenues retained by the State under the provisions of this subsection.

Subsec. (f). Pub. L. 96-58, §4, added subsec. (f).

1977—Pub. L. 95-113 substituted revised provisions relating to administrative cost-sharing and quality control for provisions authorizing appropriations and relating to the financial operation of the program which are now covered by section 2027 of this title.

1973—Subsec. (a). Pub. L. 93-86 extended authorization of appropriations from June 30, 1973, to June 30, 1977, and inserted provision relating to availability of appropriated sums.

1971—Subsec. (a). Pub. L. 91-671 is substituted appropriation authorization of “\$1,750,000,000 for the fiscal year ending June 30, 1971; and for the fiscal years ending June 30, 1972 and June 30, 1973 such sums as the Congress may appropriate” for “\$170,000,000 for the six months ending December 31, 1970”.

1969—Subsec. (a). Pub. L. 91-116 increased appropriation authorization limitation for fiscal year ending June 30, 1970, from \$340,000,000 to \$610,000,000.

1968—Subsec. (a). Pub. L. 90-552 increased appropriations authorization limitation for fiscal year ending June 30, 1969, from \$225,000,000 to \$315,000,000, authorized appropriations of \$340,000,000 and \$170,000,000 for fiscal year ending June 30, 1970, and for six months ending Dec. 31, 1970, substituted “fiscal period” for “fiscal year”, and provided for submission of reports to Congress on or before January 20 of each year setting forth operations under this chapter during preceding calendar year and projecting needs for ensuing calendar year.

1967—Subsec. (a). Pub. L. 90-91 provided for appropriations for the fiscal years ending June 30, 1968 and 1969, and inserted provision dealing with the carrying out of this chapter only with funds appropriated from the general fund of the Treasury for the purposes of this chapter.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by section 4118(a) of Pub. L. 107-171 not applicable with respect to any sanction, appeal, new investment agreement, or other action by the Secretary of Agriculture or a State agency that is based on a payment error rate calculated for any fiscal year before fiscal year 2003, see section 4118(e) of Pub. L. 107-171, set out as a note under section 2022 of this title.

Pub. L. 107-171, title IV, §4119(b), May 13, 2002, 116 Stat. 321, provided that: “The amendments made by this section [amending this section] take effect on the date of enactment of this Act [May 13, 2002].”

Pub. L. 107-171, title IV, §4120(b), May 13, 2002, 116 Stat. 323, provided that: “The amendment made by this section [amending this section] takes effect on the date of enactment of this Act [May 13, 2002].”

Amendment by section 4121(a), (d) of Pub. L. 107-171 effective May 13, 2002, see section 4121(e) of Pub. L. 107-171, set out as a note under section 2015 of this title.

Amendment by section 4122(a) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106-78, title VII, §758, Oct. 22, 1999, 113 Stat. 1172, provided that the amendment made by section 758 is effective beginning in fiscal year 2001 and thereafter.

EFFECTIVE DATE OF 1998 AMENDMENT

Pub. L. 105-185, title V, §510(a), June 23, 1998, 112 Stat. 580, provided that: “The amendments made by sections 501 and 502 [amending this section] take effect on the date of enactment of this Act [June 23, 1998].”

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-33 effective Oct. 1, 1997, without regard to whether regulations have been promulgated to implement such amendment, see section 1005(b) of Pub. L. 105-33, set out as a note under section 2015 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 109(c) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for

terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103-296, set out as a note under section 401 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1993 AMENDMENT

Section 13971 of Pub. L. 103-66 provided that:

“(a) GENERAL EFFECTIVE DATE AND IMPLEMENTATION.—Except as provided in subsection (b), this chapter [chapter 3 (§§13901-13971) of title XIII of Pub. L. 103-66, amending this section and sections 2012, 2014, 2015, 2017, 2020 to 2023, 2026, and 2028 of this title, and enacting provisions set out as a note under section 2011 of this title] and the amendments made by this chapter shall take effect, and shall be implemented beginning on, October 1, 1993.

“(b) SPECIAL EFFECTIVE DATES AND IMPLEMENTATION.—(1)(A) Except as provided in subparagraph (B), section 13951 [amending this section and sections 2022 and 2023 of this title] shall take effect on October 1, 1991.

“(B) The amendment made by section 13951(c)(2) [amending this section] shall take effect on October 1, 1992.

“(2)(A) Except as provided in subparagraph (B), the amendments made by section 13961 [amending this section] shall be effective with respect to calendar quarters beginning on or after April 1, 1994.

“(B) In the case of a State whose legislature meets biennially, and does not have a regular session scheduled in calendar year 1994, and that demonstrates to the satisfaction of the Secretary of Agriculture that there is no mechanism, under the constitution and laws of the State, for appropriating the additional funds required by the amendments made by this section before the next such regular legislative session, the Secretary may delay the effective date of all or part of the amendments made by section 13961 [amending this section] until the beginning date of a calendar quarter that is not later than the first calendar quarter beginning after the close of the first regular session of the State legislature after the date of enactment of this Act [Aug. 10, 1993].

“(3) Sections 13912(a) and 13912(b)(1) [amending section 2014 of this title] shall take effect, and shall be implemented beginning on, July 1, 1994.

“(4) Sections 13911, 13913, 13914, 13915, 13916, 13922, 13924, 13931, 13932, and 13942 [amending this section and sections 2012, 2014, 2015, and 2017 of this title] shall take effect, and shall be implemented beginning on, September 1, 1994.

“(5)(A) Except as provided in subparagraph (B), section 13921 [amending section 2014 of this title] shall take effect, and shall be implemented beginning on, September 1, 1994.

“(B) State agencies shall implement the amendment made by section 13921 not later than October 1, 1995.

“(6) Section 13912(b)(2) [amending section 2014 of this title] shall take effect, and shall be implemented beginning on, January 1, 1997.”

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 1750 of Pub. L. 101-624 effective Oct. 1, 1990, amendment by section 1752(a) of Pub.

L. 101-624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, and amendment by section 1753 of Pub. L. 101-624 effective Nov. 28, 1990, see section 1781(a), (b)(1), (2) of Pub. L. 101-624, set out as a note under section 2012 of this title.

Section 1752(b) of Pub. L. 101-624 provided that: “The amendment made by subsection (a)(2) [amending this section] shall not apply to proposals for automatic data processing and information retrieval systems under section 16(g) of the Food Stamp Act of 1977 [subsec. (g) of this section] that were approved by the Secretary of Agriculture prior to the date of enactment of this Act [Nov. 28, 1990].”

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by sections 204(b), 321(b), and 404(e) of Pub. L. 100-435 to be effective and implemented on July 1, 1989, amendment by section 321(c) of Pub. L. 100-435 to be effective and implemented on Sept. 19, 1988, amendment by section 404(g) of Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, and amendment by section 604 of Pub. L. 100-435 effective Oct. 1, 1985, with respect to claims under subsec. (c) of this section for quality control review periods after such date, except as otherwise provided, except that amendment by sections 204(b), 321(b), (c), 404(e), (g) of Pub. L. 100-435 to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(a), (b)(1), (4), (5), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99-603 effective Oct. 1, 1987, see section 121(c)(2) of Pub. L. 99-603, set out as a note under section 502 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1985 AMENDMENT

Section 1537(a) of Pub. L. 99-198 provided that the amendment made by that section is effective with respect to the fiscal year beginning Oct. 1, 1985, and each fiscal year thereafter.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by section 179 of Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Enactment by section 180(a) of Pub. L. 97-253 effective Oct. 1, 1982, see section 193(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENTS

Amendment by Pub. L. 97-35 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title, see section 192(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-35 effective and implemented upon such dates as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 117 of Pub. L. 97-35, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Secretary of Agriculture to issue final regulations implementing the amendment of this section by Pub. L. 96-58 within 150 days after Aug. 14, 1979, see section 10(b) of Pub. L. 96-58, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

REGULATIONS

Secretary of Agriculture to promulgate regulations necessary to implement amendment of this section by Pub. L. 105-33, not later than one year after Aug. 5, 1997, see section 1005(a) of Pub. L. 105-33, set out as a note under section 2015 of this title.

CARRYOVER FUNDS

Pub. L. 107-171, title IV, §4121(b), May 13, 2002, 116 Stat. 323, provided that: “Notwithstanding any other provision of law, funds provided under section 16(h)(1)(A) of the Food Stamp Act of 1977 (7 U.S.C. 2025(h)(1)(A)) for any fiscal year before fiscal year 2002 shall be rescinded on the date of enactment of this Act [May 13, 2002], unless obligated by a State agency before that date.”

REVIEW OF METHODOLOGY USED TO MAKE CERTAIN DETERMINATIONS

Pub. L. 105-185, title V, §502(b), June 23, 1998, 112 Stat. 578, provided that: “Not later than 1 year after the date of enactment [June 23, 1998], the Comptroller General of the United States shall—

“(1) review the adequacy of the methodology used in making the determinations required under section 16(k)(2)(B) of the Food Stamp Act of 1977 [7 U.S.C. 2025(k)(2)(B)] (as added by subsection (a)(2)); and

“(2) submit a written report on the results of the review to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”

REPORT TO CONGRESS

Section 1002(b) of Pub. L. 105-33 provided that: “Not later than 30 months after the date of enactment of this Act [Aug. 5, 1997], the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report regarding whether the amounts made available under section 16(h)(1)(A) of the Food Stamp Act of 1977 [7 U.S.C. 2025(h)(1)(A)] (as a result of the amendment made by subsection (a)) have been used by State agencies to increase the number of work slots for recipients subject to section 6(o) of the Food Stamp Act of 1977 (7 U.S.C. 2015(o)) in employment and training programs and workfare in the most efficient and effective manner practicable.”

QUALITY CONTROL SANCTIONS

Section 1751 of Pub. L. 101-624 provided that:

“(a) IN GENERAL.—No disallowance or other similar action shall be applied to or collected from any State for any of the fiscal years 1983, 1984, or 1985 under section 16(c) of the Food Stamp Act of 1977 (7 U.S.C. 2025(c)) or any predecessor statutory or regulatory provision relating to disallowances or other similar actions for erroneous issuances made in carrying out a State plan under such Act [7 U.S.C. 2011 et seq.], except for amounts to be paid or collected after the date of enactment of this Act [Nov. 28, 1990] pursuant to settlement agreements which do not provide for payment adjustments based on future changes in law.

“(b) APPLICATION.—Subsection (a) shall also apply to disallowances described in subsection (a) with respect to which an administrative or judicial appeal is pend-

ing on the date of enactment of this Act [Nov. 28, 1990], including any such disallowance that has been collected before such date.”

QUALITY CONTROL STUDIES AND PENALTY MORATORIUM

Section 1538 of Pub. L. 99-198, as amended by Pub. L. 99-260, §12, Mar. 20, 1986, 100 Stat. 52, provided that:

“(a)(1)(A) The Secretary of Agriculture (hereinafter referred to in this section as the ‘Secretary’) shall conduct a study of the quality control system used for the food stamp program established under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

“(B) The study shall—

“(i) examine how best to operate such system in order to obtain information that will allow the State agencies to improve the quality of administration; and

“(ii) provide reasonable data on the basis of which Federal funding may be withheld for State agencies with excessive levels of erroneous payments.

“(2)(A) The Secretary shall also contract with the National Academy of Sciences to conduct a concurrent independent study for the purpose described in paragraph (1).

“(B) For purposes of such study, the Secretary shall provide to the National Academy of Sciences any relevant data available to the Secretary at the onset of the study and on an ongoing basis.

“(3) Not later than 1 year after the date the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2), the Secretary and the National Academy of Sciences shall report the results of their respective studies to the Congress.

“(b)(1) During the 6-month period beginning on the date of enactment of this Act [Dec. 23, 1985] (hereinafter in this section referred to as the ‘moratorium period’), the Secretary shall not impose any reductions in payments to State agencies pursuant to section 16 of the Food Stamp Act of 1977 (7 U.S.C. 2025).

“(2) During the moratorium period, the Secretary and the State agencies shall continue to—

“(A) operate the quality control systems in effect under the Food Stamp Act of 1977 [7 U.S.C. 2011 et seq.]; and

“(B) calculate error rates under section 16 of such Act [7 U.S.C. 2025].

“(c)(1) Not later than 6 months after the date on which the results of both studies required under subsection (a)(3) have been reported, the Secretary shall publish regulations that shall—

“(A) restructure the quality control system used under the Food Stamp Act of 1977 [7 U.S.C. 2011 et seq.] to the extent the Secretary determines to be appropriate, taking into account the studies conducted under subsection (a); and

“(B) establish, taking into account the studies conducted under subsection (a), criteria for adjusting the reductions that shall be made for quarters prior to the implementation of the restructured quality control system so as to eliminate reductions for those quarters that would not be required if the restructured quality control system had been in effect during those quarters.

“(2) Beginning 6 months after the date on which the results of both studies required under subsection (a)(3) have been reported, the Secretary shall—

“(A) implement the restructured quality control system; and

“(B) reduce payments to State agencies—

“(i) for quarters after implementation of such system in accordance with the restructured quality control system; and

“(ii) for quarters before implementation of such system, as provided under the regulations described in paragraph (1)(B).”

§ 2026. Research, demonstration, and evaluations

(a) Contracts or grants; issuance of aggregate allotments

(1) The Secretary may enter into contracts with or make grants to public or private organi-

zations or agencies under this section to undertake research that will help improve the administration and effectiveness of the food stamp program in delivering nutrition-related benefits. The waiver authority of the Secretary under subsection (b) of this section shall extend to all contracts and grants under this section.

(2) The Secretary may, on application, permit not more than two State agencies to establish procedures that allow households whose monthly food stamp benefits do not exceed \$20, at their option, to receive, in lieu of their food stamp benefits for the initial period under section 2017 of this title and their regular allotment in following months, and at intervals of up to 3 months thereafter, aggregate allotments not to exceed \$60 and covering not more than 3 months’ benefits. The allotments shall be provided in accordance with paragraphs (3) and (9) of section 2020(e) of this title (except that no household shall begin to receive combined allotments under this section until it has complied with all applicable verification requirements of section 2020(e)(3) of this title) and (with respect to the first aggregate allotment so issued) within 40 days of the last coupon issuance.

(b) Pilot projects

(1)(A) The Secretary may conduct on a trial basis, in one or more areas of the United States, pilot or experimental projects designed to test program changes that might increase the efficiency of the food stamp program and improve the delivery of food stamp benefits to eligible households, and may waive any requirement of this chapter to the extent necessary for the project to be conducted.

(B) PROJECT REQUIREMENTS.—

(i) PROGRAM GOAL.—The Secretary may not conduct a project under subparagraph (A) unless—

(I) the project is consistent with the goal of the food stamp program of providing food assistance to raise levels of nutrition among low-income individuals; and

(II) the project includes an evaluation to determine the effects of the project.

(ii) PERMISSIBLE PROJECTS.—The Secretary may conduct a project under subparagraph (A) to—

(I) improve program administration;

(II) increase the self-sufficiency of food stamp recipients;

(III) test innovative welfare reform strategies; or

(IV) allow greater conformity with the rules of other programs than would be allowed but for this paragraph.

(iii) RESTRICTIONS ON PERMISSIBLE PROJECTS.—If the Secretary finds that a project under subparagraph (A) would reduce benefits by more than 20 percent for more than 5 percent of households in the area subject to the project (not including any household whose benefits are reduced due to a failure to comply with work or other conduct requirements), the project—

(I) may not include more than 15 percent of the State’s food stamp households; and

(II) shall continue for not more than 5 years after the date of implementation, un-

less the Secretary approves an extension requested by the State agency at any time.

(iv) IMPERMISSIBLE PROJECTS.—The Secretary may not conduct a project under subparagraph (A) that—

(I) involves the payment of the value of an allotment in the form of cash, unless the project was approved prior to August 22, 1996;

(II) has the effect of substantially transferring funds made available under this chapter to services or benefits provided primarily through another public assistance program, or using the funds for any purpose other than the purchase of food, program administration, or an employment or training program;

(III) is inconsistent with—

(aa) paragraphs (4) and (5) of section 2012(i) of this title;

(bb) the last sentence of section 2014(a) of this title, insofar as a waiver denies assistance to an otherwise eligible household or individual if the household or individual has not failed to comply with any work, behavioral, or other conduct requirement under this or another program;

(cc) section 2014(c)(2) of this title;

(dd) paragraph (2)(B), (4)(F)(i), or (4)(K) of section 2015(d) of this title;

(ee) section 2017(b) of this title;

(ff) section 2020(e)(2)(B) of this title;

(gg) the time standard under section 2020(e)(3) of this title;

(hh) subsection (a), (c), (g), (h)(2), or (h)(3) of section 2025 of this title;

(ii) this paragraph; or

(jj) subsection (a)(1) or (g)(1) of section 2029 of this title;

(IV) modifies the operation of section 2014 of this title so as to have the effect of—

(aa) increasing the shelter deduction to households with no out-of-pocket housing costs or housing costs that consume a low percentage of the household's income; or

(bb) absolving a State from acting with reasonable promptness on substantial reported changes in income or household size (except that this subclause shall not apply with regard to changes related to food stamp deductions);

(V) is not limited to a specific time period;

(VI) waives a provision of section 2035 of this title; or

(VII) waives a provision of section 2016(j) of this title.

(v) ADDITIONAL INCLUDED PROJECTS.—A pilot or experimental project may include projects involving the payment of the value of allotments or the average value of allotments by household size in the form of cash to eligible households all of whose members are age sixty-five or over or any of whose members are entitled to supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the use of countersigned

food coupons or similar identification mechanisms that do not invade a household's privacy, and the use of food checks or other voucher-type forms in place of food coupons.

(vi) CASH PAYMENT PILOT PROJECTS.—Any pilot or experimental project implemented under this paragraph and operating as of October 1, 1981, involving the payment of the value of allotments in the form of cash to eligible households all of whose members are either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act shall be continued through October 1, 2007, if the State so requests.

(C)(i) No waiver or demonstration program shall be approved under this chapter after November 28, 1990, unless—

(I) any household whose food assistance is issued in a form other than coupons has its allotment increased to the extent necessary to compensate for any State or local sales tax that may be collected in all or part of the area covered by the demonstration project, the tax on purchases of food by any such household is waived, or the Secretary determines on the basis of information provided by the State agency that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and

(II) the State agency conducting the demonstration project pays the cost of any increased allotments.

(ii) Clause (i) shall not apply if a waiver or demonstration project already provides a household with assistance that exceeds that which the household would otherwise be eligible to receive by more than the estimated amount of any sales tax on the purchases of food that would be collected from the household in the project area in which the household resides.

(D) RESPONSE TO WAIVERS.—

(i) RESPONSE.—Not later than 60 days after the date of receiving a request for a waiver under subparagraph (A), the Secretary shall provide a response that—

(I) approves the waiver request;

(II) denies the waiver request and describes any modification needed for approval of the waiver request;

(III) denies the waiver request and describes the grounds for the denial; or

(IV) requests clarification of the waiver request.

(ii) FAILURE TO RESPOND.—If the Secretary does not provide a response in accordance with clause (i), the waiver shall be considered approved, unless the approval is specifically prohibited by this chapter.

(iii) NOTICE OF DENIAL.—On denial of a waiver request under clause (i)(III), the Secretary shall provide a copy of the waiver request and a description of the reasons for the denial to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(2) The Secretary shall, jointly with the Secretary of Labor, implement two pilot projects involving the performance of work in return for

food stamp benefits in each of the seven administrative regions of the Food and Nutrition Service of the Department of Agriculture, such projects to be (A) appropriately divided in each region between locations that are urban and rural in characteristics and among locations selected to provide a representative cross-section of political subdivisions in the States and (B) submitted for approval prior to project implementation, together with the names of the agencies or organizations that will be engaged in such projects, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate. Under such pilot projects, any person who is subject to the work registration requirements pursuant to section 2015(d) of this title, and is a member of a household that does not have earned income equal to or exceeding the allotment to which the household is otherwise entitled pursuant to section 2017(a) of this title, shall be ineligible to participate in the food stamp program as a member of any household during any month in which such person refuses, after not being offered employment in the private sector of the economy for more than thirty days (ten days in at least one pilot project area designated by the Secretary) after the initial registration for employment referred to in section 2015(d)(1)(A)(i) of this title, to accept an offer of employment from a political subdivision or provider pursuant to a program carried out under title I of the Workforce Investment Act of 1998 [29 U.S.C. 2801 et seq.], for which employment compensation shall be paid in the form of the allotment to which the household is otherwise entitled pursuant to section 2017(a) of this title, with each hour of employment entitling the household to a portion of the allotment equal in value to 100 per centum of the Federal minimum hourly rate under the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 206(a)(1)); which employment shall not, together with any other hours worked in any other capacity by such person exceed forty hours a week; and which employment shall not be used by the employer to fill a job opening created by the action of such employer in laying off or terminating the employment of any regular employee not supported under this paragraph in anticipation of filling the vacancy so created by hiring an employee or employees to be supported under this paragraph, if all of the jobs supported under the program have been made available to participants in the program before the political subdivision or provider providing the jobs extends an offer of employment under this paragraph, and if the political subdivision or provider, in employing the person, complies with the requirements of Federal law that relate to the program. The Secretary and the Secretary of Labor shall jointly issue reports to the appropriate committees of Congress on the progress of such pilot projects no later than six and twelve months following September 29, 1977, shall issue interim reports no later than October 1, 1979, October 1, 1980, and March 30, 1981, shall issue a final report describing the results of such pilot projects based upon their operation from their commencement through the fiscal year ending September 30, 1981, and shall pay to the

agencies or organizations operating such pilot projects 50 per centum of all administrative costs involved in such operation.

(3)(A) The Secretary may conduct demonstration projects to test improved consistency or coordination between the food stamp employment and training program and the Job Opportunities and Basic Skills program under title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(B) Notwithstanding paragraph (1), the Secretary may, as part of a project authorized under this paragraph, waive requirements under section 2015(d) of this title to permit a State to operate an employment and training program for food stamp recipients on the same terms and conditions under which the State operates its Job Opportunities and Basic Skills program for recipients of aid to families with dependent children under part F¹ of title IV of the Social Security Act (42 U.S.C. 681 et seq.). Any work experience program conducted as part of the project shall be conducted in conformity with section 482(f)¹ of such Act (42 U.S.C. 682(f)).

(C) A State seeking such a waiver shall provide assurances that the resulting employment and training program shall meet the requirements of subsections (a)(19) and (g) of section 402¹ of such Act (42 U.S.C. 602) (but not including the provision of transitional benefits under clauses (ii) through (vii) of section 402(g)(1)(A)¹ and sections 481 through 487¹ of such Act (42 U.S.C. 681 through 687). Each reference to ‘aid to families with dependent children’ in such sections shall be deemed to be a reference to food stamps for purposes of the demonstration project.

(D) Notwithstanding the other provisions of this paragraph, participation in an employment and training activity in which food stamp benefits are converted to cash shall occur only with the consent of the participant.

(E) For the purposes of any project conducted under this paragraph, the provisions of this chapter affecting the rights of recipients may be waived to the extent necessary to conform to the provisions of section 402, and sections 481 through 487,¹ of the Social Security Act.

(F) At least 60 days prior to granting final approval of a project under this paragraph, the Secretary shall publish the terms and conditions for any demonstration project conducted under the paragraph for public comment in the Federal Register and shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(G) Waivers may be granted under this paragraph to conduct projects at any one time in a total of up to 60 project areas (or parts of project areas), as such areas are defined in regulations in effect on January 1, 1990.

(H) A waiver for a change in program rules may be granted under this paragraph only for a demonstration project that has been approved by the Secretary, that will be evaluated according to criteria prescribed by the Secretary, and that will be in operation for no more than 4 years.

(I) The Secretary may not grant a waiver under this paragraph on or after August 22, 1996.

¹ See References in Text note below.

Any reference in this paragraph to a provision of title IV of the Social Security Act [42 U.S.C. 601 et seq.] shall be deemed to be a reference to such provision as in effect on the day before August 22, 1996.

(c) Evaluation measures; pilot programs for nutritional monitoring

The Secretary shall develop and implement measures for evaluating, on an annual or more frequent basis, the effectiveness of the food stamp program in achieving its stated objectives, including, but not limited to, the program's impact upon the nutritional and economic status of participating households, the program's impact upon all sectors of the agricultural economy, including farmers and ranchers, as well as retail food stores, and the program's relative fairness to households of different income levels, different age composition, different size, and different regions of residence. Further, the Secretary shall, by way of making contracts with or grants to public or private organizations or agencies, implement pilot programs to test various means of measuring on a continuing basis the nutritional status of low income people, with special emphasis on people who are eligible for food stamps, in order to develop minimum common criteria and methods for systematic nutrition monitoring that could be applied on a nationwide basis. The locations of the pilot programs shall be selected to provide a representative geographic and demographic cross-section of political subdivisions that reflect natural usage patterns of health and nutritional services and that contain high proportions of low income people. The Secretary shall report on the progress of these pilot programs on an annual basis commencing on July 1, 1982, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, together with such recommendations as the Secretary deems appropriate.

(d) Employment initiatives program

(1) Election to participate

(A) In general

Subject to the other provisions of this subsection, a State may elect to carry out an employment initiatives program under this subsection.

(B) Requirement

A State shall be eligible to carry out an employment initiatives program under this subsection only if not less than 50 percent of the households in the State that received food stamp benefits during the summer of 1993 also received benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) during the summer of 1993.

(2) Procedure

(A) In general

A State that has elected to carry out an employment initiatives program under paragraph (1) may use amounts equal to the food stamp allotments that would otherwise be issued to a household under the food stamp

program, but for the operation of this subsection, to provide cash benefits in lieu of the food stamp allotments to the household if the household is eligible under paragraph (3).

(B) Payment

The Secretary shall pay to each State that has elected to carry out an employment initiatives program under paragraph (1) an amount equal to the value of the allotment that each household participating in the program in the State would be eligible to receive under this chapter but for the operation of this subsection.

(C) Other provisions

For purposes of the food stamp program (other than this subsection)—

- (i) cash assistance under this subsection shall be considered to be an allotment; and
- (ii) each household receiving cash benefits under this subsection shall not receive any other food stamp benefit during the period for which the cash assistance is provided.

(D) Additional payments

Each State that has elected to carry out an employment initiatives program under paragraph (1) shall—

- (i) increase the cash benefits provided to each household participating in the program in the State under this subsection to compensate for any State or local sales tax that may be collected on purchases of food by the household, unless the Secretary determines on the basis of information provided by the State that the increase is unnecessary on the basis of the limited nature of the items subject to the State or local sales tax; and
- (ii) pay the cost of any increase in cash benefits required by clause (i).

(3) Eligibility

A household shall be eligible to receive cash benefits under paragraph (2) if an adult member of the household—

- (A) has worked in unsubsidized employment for not less than the preceding 90 days;
- (B) has earned not less than \$350 per month from the employment referred to in subparagraph (A) for not less than the preceding 90 days;
- (C)(i) is receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or
- (ii) was receiving benefits under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) at the time the member first received cash benefits under this subsection and is no longer eligible for the State program because of earned income;
- (D) is continuing to earn not less than \$350 per month from the employment referred to in subparagraph (A); and
- (E) elects to receive cash benefits in lieu of food stamp benefits under this subsection.

(4) Evaluation

A State that operates a program under this subsection for 2 years shall provide to the Sec-

retary a written evaluation of the impact of cash assistance under this subsection. The State agency, with the concurrence of the Secretary, shall determine the content of the evaluation.

(e) Study and report to Congressional committees of effect of reduction of benefits

The Secretary shall conduct a study of the effects of reductions made in benefits provided under this chapter pursuant to part 1 of subtitle A of title I of the Omnibus Budget Reconciliation Act of 1981, the Food Stamp and Commodity Distribution Amendments of 1981, the Food Stamp Act Amendments of 1982, and any other laws enacted by the Ninety-seventh Congress which affect the food stamp program. The study shall include a study of the effect of retrospective accounting and periodic reporting procedures established under such Acts, including the impact on benefit and administrative costs and on error rates and the degree to which eligible households are denied food stamp benefits for failure to file complete periodic reports. The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an interim report on the results of such study no later than February 1, 1984, and a final report on the results of such study no later than March 1, 1985.

(f) Demonstration projects for development and use of intelligent computer benefit cards to pay food stamp benefits

In order to encourage States to plan, design, develop, and implement a system for making food stamp benefits available through the use of intelligent benefit cards or other automated or electronic benefit delivery systems, the Secretary may conduct one or more pilot or experimental projects, subject to the restrictions imposed by subsection (b)(1) of this section and section 2016(g)(2) of this title, designed to test whether the use of such cards or systems can enhance the efficiency and effectiveness of program operations while ensuring that individuals receive correct benefit amounts on a timely basis. Intelligent benefit cards developed under such a demonstration project shall contain information, encoded on a computer chip embedded in a credit card medium, including the eligibility of the individual and the amount of benefits to which such individual is entitled. Any other automated or electronic benefit delivery system developed under such a demonstration project shall be able to use a plastic card to access such information from a data file.

(g) Study of effectiveness of food stamp employment and training program

In order to assess the effectiveness of the employment and training programs established under section 2015(d) of this title in placing individuals into the work force and withdrawing such individuals from the food stamp program, the Secretary is authorized to carry out studies comparing the pre- and post-program labor force participation, wage rates, family income, level of receipt of food stamp and other transfer payments, and other relevant information, for samples of participants in such employment and

training programs as compared to the appropriate control or comparison groups that did not participate in such programs. Such studies shall, to the maximum extent possible—

(1) collect such data for up to 3 years after the individual has completed the employment and training program; and

(2) yield results that can be generalized to the national program as a whole.

The results of such studies and reports shall be considered in developing or updating the performance standards required under section 2015 of this title.

(h) Demonstration projects for vehicle exclusion limits

The Secretary shall conduct a sufficient number of demonstration projects to evaluate the effects, in both rural and urban areas, of including in financial resources under section 2014(g) of this title the fair market value of licensed vehicles to the extent the value of each vehicle exceeds \$4,500, but excluding the value of—

(1) any licensed vehicle that is used to produce earned income, necessary for transportation of an elderly or physically disabled household member, or used as the household's home; and

(2) one licensed vehicle used to obtain, continue, or seek employment (including travel to and from work), used to pursue employment-related education or training, or used to secure food or the benefits of the food stamp program.

(i) Testing resource accumulation

The Secretary shall conduct, under such terms and conditions as the Secretary shall prescribe, for a period not to exceed 4 years, projects to test allowing not more than 11,000 eligible households, in the aggregate, to accumulate resources up to \$10,000 each (which shall be excluded from consideration as a resource) for later expenditure for a purpose directly related to improving the education, training, or employability (including self-employment) of household members, for the purchase of a home for the household, for a change of the household's residence, or for making major repairs to the household's home.

(j) Demonstration projects directed at food coupon trafficking

The Secretary shall use up to \$4,000,000 of the funds provided in advance in appropriations Acts for projects authorized by this section to conduct demonstration projects in which State or local food stamp agencies test innovative ideas for working with State or local law enforcement agencies to investigate and prosecute coupon trafficking.

(Pub. L. 88-525, §17, as added Pub. L. 93-86, §3(n), Aug. 10, 1973, 87 Stat. 248; amended Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 977; Pub. L. 95-400, Sept. 30, 1978, 92 Stat. 856; Pub. L. 96-249, title I, §§130-132(a), 133, May 26, 1980, 94 Stat. 367, 368; Pub. L. 97-98, title XIII, §§1328-1330, Dec. 22, 1981, 95 Stat. 1289, 1290; Pub. L. 97-253, title I, §§152(c), 181, 182, 190(d), Sept. 8, 1982, 96 Stat. 776, 784, 785, 787; Pub. L. 99-114, §4, Oct. 1, 1985, 99 Stat. 488; Pub. L. 99-157, §2, Nov.

15, 1985, 99 Stat. 818; Pub. L. 99-182, § 2, Dec. 13, 1985, 99 Stat. 1173; Pub. L. 99-198, title XV, § 1540, Dec. 23, 1985, 99 Stat. 1588; Pub. L. 100-435, title V, §§ 504, 505, Sept. 19, 1988, 102 Stat. 1673; Pub. L. 101-624, title XVII, §§ 1729(b), 1731, 1754-1759, Nov. 28, 1990, 104 Stat. 3790, 3798-3800, 3802; Pub. L. 102-237, title IX, § 941(8), Dec. 13, 1991, 105 Stat. 1893; Pub. L. 103-66, title XIII, § 13925, Aug. 10, 1993, 107 Stat. 675; Pub. L. 103-225, title II, § 204, Mar. 25, 1994, 108 Stat. 109; Pub. L. 104-127, title IV, § 401(c), (d), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 104-193, title I, § 109(d), title VIII, §§ 815(b)(1), 850-852, 854(c)(2), Aug. 22, 1996, 110 Stat. 2169, 2317, 2336-2338, 2342; Pub. L. 105-18, title VII, [(b)], June 12, 1997, 111 Stat. 217; Pub. L. 105-277, div. A, § 101(f) [title VIII, § 405(d)(2)(C), (f)(2)(C)], Oct. 21, 1998, 112 Stat. 2681-337, 2681-418, 2681-429; Pub. L. 107-171, title IV, §§ 4112(b)(4), 4116(b), 4122(b), 4123(a), May 13, 2002, 116 Stat. 313, 316, 324.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (b)(1)(B)(v), (vi), (3)(A), (B), (I) and (d)(1)(B), (3)(C), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title IV, part A of title IV, and title XVI of the Act are classified generally to subchapter IV (§ 601 et seq.), part A (§ 601 et seq.) of subchapter IV, and subchapter XVI (§ 1381 et seq.), respectively, of chapter 7 of Title 42, The Public Health and Welfare. Part F of title IV of the Act was classified generally to part F (§ 681 et seq.) of subchapter IV of chapter 7 of Title 42, prior to repeal by Pub. L. 104-193, title I, § 108(e), Aug. 22, 1996, 110 Stat. 2167. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

The Workforce Investment Act of 1998, referred to in subsec. (b)(2), is Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 936, as amended. Title I of the Act is classified principally to chapter 30 (§ 2801 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 9201 of Title 20, Education, and Tables.

The Fair Labor Standards Act of 1938, as amended, referred to in subsec. (b)(2), is act June 25, 1938, ch. 676, 52 Stat. 1060, as amended, which is classified generally to chapter 8 (§ 201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

Sections 481 to 487 of the Social Security Act, referred to in subsec. (b)(3)(C), (E), were classified to section 681 to 687, respectively, of Title 42, The Public Health and Welfare, prior to repeal by Pub. L. 104-193, title I, § 108(e), Aug. 22, 1996, 110 Stat. 2167.

Section 402 of the Social Security Act, referred to in subsec. (b)(3)(C), which was classified to section 602 of Title 42, The Public Health and Welfare, was repealed and a new section 402 enacted by Pub. L. 104-193, title I, § 103(a)(1), Aug. 22, 1996, 110 Stat. 2112, and, as so enacted, no longer contains subsecs. (a)(19) and (g).

The Omnibus Budget Reconciliation Act of 1981, referred to in subsec. (e), is Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357. Part 1 of subtitle A of title I of the Omnibus Budget Reconciliation Act amended this chapter generally. For complete classification of this Act to the Code, see Tables.

The Food Stamp and Commodity Distribution Amendments of 1981, referred to in subsec. (e), is title XIII of Pub. L. 97-98, Dec. 22, 1981, 95 Stat. 1282, which amended this chapter generally. For complete classification of this Act to the Code, see Short Title of 1981 Amendment note set out under section 2011 of this title and Tables.

The Food Stamp Act Amendments of 1982, referred to in subsec. (e), is subtitle E of title I of Pub. L. 97-253, Sept. 8, 1982, 96 Stat. 772, which amended this chapter generally. For complete classification of this Act to the Code, see Short Title of 1982 Amendment note set out under section 2011 of this title and Tables.

AMENDMENTS

2002—Subsec. (a)(1). Pub. L. 107-171, § 4123(a), substituted “enter into contracts with or make grants to public or private organizations or agencies under this section to” for “, by way of making contracts with or grants to public or private organizations or agencies,” and inserted at end “The waiver authority of the Secretary under subsection (b) of this section shall extend to all contracts and grants under this section.”

Subsec. (b)(1)(B)(iv)(III)(aa). Pub. L. 107-171, § 4112(b)(4), substituted “paragraphs (4) and (5) of section 2012(i) of this title” for “the last 2 sentences of section 2012(i) of this title”.

Subsec. (b)(1)(B)(vi). Pub. L. 107-171, § 4122(b), substituted “2007” for “2002”.

Subsecs. (i) to (k). Pub. L. 107-171, § 4116(b), redesignated subsecs. (j) and (k) as (i) and (j), respectively, and struck out former subsec. (i) which related to grants to improve food stamp participation.

1998—Subsec. (b)(2). Pub. L. 105-277, § 101(f) [title VIII, § 405(f)(2)(C)], in second sentence, struck out “the Job Training Partnership Act or” before “title I of the Workforce”.

Pub. L. 105-277, § 101(f) [title VIII, § 405(d)(2)(C)], in second sentence, substituted “to accept an offer of employment from a political subdivision or provider pursuant to a program carried out under the Job Training Partnership Act or title I of the Workforce Investment Act of 1998,” for “to accept an offer of employment from a political subdivision or a prime sponsor pursuant to the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812),” and substituted “, if all of the jobs supported under the program have been made available to participants in the program before the political subdivision or provider providing the jobs extends an offer of employment under this paragraph, and if the political subdivision or provider, in employing the person, complies with the requirements of Federal law that relate to the program.” for “; *Provided*, That all of the political subdivision’s or prime sponsor’s public service jobs supported under the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 812), are filled before such subdivision or sponsor can extend a job offer pursuant to this paragraph: *Provided further*, That the sponsor of each such project shall provide the assurances required of prime sponsors under section 205(c)(7), (8), (15), (19), and (24) of the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 845(c)), and the Secretary shall require such sponsors to comply with the conditions contained in sections 208(a)(1), (4), and (5) and (c) and 703(4) of the Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 848(a) and (c) and 983).”

1997—Subsec. (b)(1)(B)(iv)(VII). Pub. L. 105-18 added subcl. (VII).

1996—Subsec. (b)(1). Pub. L. 104-193, §§ 850, 851, in first sentence, substituted “benefits to eligible households, and may waive any requirement of this chapter to the extent necessary for the project to be conducted.” along with subpar. (B) heading, cls. (i) to (iv), cl. (v) of subpar. (B) heading, and “A pilot or experimental project may include” for “benefits to eligible households, including”, in subpar. (B)(v), substituted “are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)” for “to aid to families with dependent children under part A of title IV of the Social Security Act”, substituted “coupons.” along with cl. (vi) of subpar. (B) heading and “Any pilot” for “coupons. The Secretary may waive the requirements of this chapter to the degree necessary for such projects to be conducted, except that no project, other than a project involving the payment of the average value of allotments by household size in the form of cash to eligible households or a project conducted under paragraph (3), shall be implemented which would lower or further restrict the income or resource standards or benefit levels provided pursuant to sections 2014 and 2017 of this title.

Any pilot”, redesignated former subpar. (B) as (C), and added subpar. (D).

Pub. L. 104-193, §109(d)(1), which directed substitution of “or are receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)” for “to aid to families with dependent children under part A of title IV of the Social Security Act” in first sentence of subsec. (b)(1)(A), effective July 1, 1997, could not be executed because of amendment by Pub. L. 104-193 which redesignated portions of subsec. (b)(1)(A) and struck out the language sought to be amended. See above.

Pub. L. 104-127, §401(c), substituted “October 1, 2002” for “October 1, 1995” in last sentence of par. (1)(A).

Subsec. (b)(2). Pub. L. 104-193, §815(b)(1), substituted “section 2015(d)(1)(A)(i)” for “section 2015(d)(1)(i)” in second sentence.

Subsec. (b)(3)(D). Pub. L. 104-193, §109(d)(2), added subpar. (I).

Subsec. (d). Pub. L. 104-193, §852, added subsec. (d) and struck out former subsec. (d) which authorized pilot projects for employment of applicants and recipients, defined “qualification period”, and provided for exceptions, waiver of requirements, and reestablishment of eligibility.

Subsec. (i). Pub. L. 104-193, §854(c)(2), redesignated subsec. (j) as (i) and struck out former subsec. (i) which authorized four demonstration projects, in both urban and rural areas, under which households in which each member received benefits under State plan approved under part A of title IV of Social Security Act would be issued monthly allotments following rules and procedures of programs under part A of title IV of Social Security Act, and without regard to eligibility, benefit, and administrative rules established under this chapter.

Subsec. (j). Pub. L. 104-193, §854(c)(2), redesignated subsec. (k) as (j). Former subsec. (j) redesignated (i).

Subsec. (j)(1)(A). Pub. L. 104-127, §401(d), substituted “2002” for “1995”.

Subsecs. (k), (l). Pub. L. 104-193, §854(c)(2)(B), redesignated subsec. (l) as (k). Former subsec. (k) redesignated (j).

1994—Subsec. (l). Pub. L. 103-225 added subsec. (l).

1993—Subsec. (k). Pub. L. 103-66 added subsec. (k).

1991—Subsec. (b)(3)(C). Pub. L. 102-237 inserted a closing parenthesis after “402(g)(1)(A)”.

1990—Subsec. (a). Pub. L. 101-624, §1731, designated existing provisions as par. (1) and added par. (2).

Subsec. (b)(1). Pub. L. 101-624, §1756(1), inserted “or a project conducted under paragraph (3)” after “eligible households” in second sentence of subpar. (A).

Pub. L. 101-624, §1755, designated existing provisions as subpar. (A) and added subpar. (B).

Pub. L. 101-624, §1754, substituted “1995” for “1990”.

Subsec. (b)(3). Pub. L. 101-624, §1756(2), added par. (3).

Subsec. (f). Pub. L. 101-624, §1729(b), struck out par. (l) designation preceding text.

Subsec. (h). Pub. L. 101-624, §1757, added subsec. (h).

Subsec. (i). Pub. L. 101-624, §1758, added subsec. (i).

Subsec. (j). Pub. L. 101-624, §1759, added subsec. (j).

1988—Subsec. (f). Pub. L. 100-435, §504, added subsec. (f).

Subsec. (g). Pub. L. 100-435, §505, added subsec. (g).

1985—Subsec. (b)(1). Pub. L. 99-198, §1540(a), substituted “October 1, 1990” for “December 31, 1985”.

Pub. L. 99-182 substituted “December 31, 1985” for “December 13, 1985”.

Pub. L. 99-157 substituted “December 13, 1985” for “November 15, 1985”.

Pub. L. 99-114 substituted “through November 15, 1985” for “until October 1, 1985”.

Subsecs. (d) to (f). Pub. L. 99-198, §1540(b), (c), struck out subsec. (d) which had authorized the Secretary to conduct statewide pilot projects respecting the processing of applications for certain recipients, and redesignated subsecs. (e) and (f) as (d) and (e), respectively.

1982—Subsec. (d). Pub. L. 97-253, §§152(c), 190(d), redesignated subsec. (f) as (d), and struck out former subsec. (d), which provided that notwithstanding any other

provision of law, the Secretary has required, in consultation with the Secretary of the Treasury, to conduct a study, through the use of Federal income tax data, of the feasibility, alternative methods of implementation, and the effects of a program to recover food stamp benefits from members of eligible households in which the adjusted gross income of members of such households for a calendar year (as defined by the Internal Revenue Code of 1954) exceeded twice the income poverty guidelines set forth in section 2014(c) of this title, and that such study had to be conducted in rural and urban areas only on a voluntary basis by food stamp recipients, and that the Secretary was required, no later than twelve months and eighteen months from September 29, 1977, to report the results of the study to the Committees on Agriculture and Ways and Means of the House of Representatives and to the Committees on Agriculture, Nutrition, and Forestry and Finance of the Senate, together with such recommendations as the Secretary deemed appropriate.

Subsec. (e). Pub. L. 97-253, §§152(c), 190(d), redesignated subsec. (g) as (e) and struck out former subsec. (e) which provided for a study of the Consumer Price Index and other alternative consumer price or cost-of-living indices.

Subsec. (f). Pub. L. 97-253, §190(d), redesignated subsec. (h) as (f). Former subsec. (f) redesignated (d).

Subsecs. (g), (h). Pub. L. 97-253, §§181, 182, 190(d), added subsecs. (g) and (h) and redesignated them as (e) and (f), respectively.

1981—Subsec. (b)(1). Pub. L. 97-98, §1328, substituted “may conduct” for “is authorized to conduct”, “age sixty-five or over and any of whose members are entitled to supplemental security income benefits under title XVI of the Social Security Act or to aid to families with dependent children under part A of title IV of the Social Security Act” for “either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act”, and “October 1, 1985” for “October 1, 1981” and inserted “or the average value of allotments by household size” after “value of allotments”, “, other than a project involving the payment of the average value of allotments by household size in the form of cash to eligible households,” after “no project”, “and operating as of October 1, 1981,” after “under this paragraph” and “all of whose members are either age sixty-five or over or entitled to supplemental security income benefits under title XVI of the Social Security Act” before “shall be continued”.

Subsec. (c). Pub. L. 97-98, §1329, inserted provision authorizing the Secretary to implement pilot programs to test various means of measuring on a continual basis the nutritional status of low income people in order to develop minimum common criteria and methods for systematic nutrition monitoring that could be applied on a nationwide basis and directing the Secretary to report on the progress of these pilot programs on an annual basis commencing on July 1, 1982, to designated Congressional committees.

Subsec. (f). Pub. L. 97-98, §1330, added subsec. (f).

1980—Subsec. (b)(1). Pub. L. 96-249, §130, inserted provisions requiring that any pilot or experimental project implemented under this paragraph involving the payment of the value of allotments in the form of cash to eligible households be continued until October 1, 1981, if the State so requests.

Subsec. (b)(2). Pub. L. 96-249, §§131, 132(a), inserted “(ten days in at least one pilot project area designated by the Secretary)” after “thirty days” and substituted “interim reports no later than October 1, 1979, October 1, 1980, and March 30, 1981, shall issue a final report describing the results of such pilot project based upon their operation from their commencement through the fiscal year ending September 30, 1981, and shall pay to the agencies or organizations operating such pilot projects 50 per centum of all administrative costs involved in such operation” for “an interim report no later than October 1, 1979, and shall issue a final report describing the results of such pilot projects no later than October 1, 1980”.

Subsec. (e). Pub. L. 96-249, §133, added subsec. (e).
1978—Subsec. (b)(2). Pub. L. 95-400 required issuance of an interim report no later than Oct. 1, 1979, and substituted requirement for issuance of a final report no later than Oct. 1, 1980, for prior requirement of a final report no later than eighteen months following Sept. 29, 1977.

1977—Pub. L. 95-113 substituted provisions relating to research, demonstrations, and evaluations for provisions relating to the purchase with coupons of hunting and fishing equipment for procuring food by members of eligible households living in Alaska.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4123(b), May 13, 2002, 116 Stat. 324, provided that: “The amendments made by this section [amending this section] take effect on the date of enactment of this Act [May 13, 2002].”

Amendment by sections 4112(b)(4), 4116(b), and 4122(b) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 101(f) [title VIII, §405(d)(2)(C)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, §405(f)(2)(C)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, §405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 109(d) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1729(b), 1731, and 1755 to 1759 of Pub. L. 101-624 effective Nov. 28, 1990, and amendment by section 1754 of Pub. L. 101-624 effective Oct. 1, 1990, see section 1781(a), (b)(1) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-435 to be effective and implemented on Oct. 1, 1988, except that such amendment to become effective and implemented on Oct. 1, 1989, if final order is issued under section 902(b) of Title 2, The Congress, for fiscal year 1989 making reductions and sequestrations specified in the report required under section 901(a)(3)(A) of Title 2, see section 701(a), (c)(2) of Pub. L. 100-435, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Section 132(b) of Pub. L. 96-249 provided that: “The provisions of section 17(b)(2) of the Food Stamp Act of 1977 [subsec. (b)(2) of this section] for the sharing of administrative costs, as added by subsection (a) of this section, shall be effective on the date of enactment of this Act [May 26, 1980].”

EFFECTIVE DATE OF 1977 AMENDMENT

Section 1301 of Pub. L. 95-113 provided that the amendment made by that section is effective Oct. 1, 1977.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c) of this section relating to annual reports on the progress of pilot programs, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 48 of House Document No. 103-7.

STUDY OF USE OF FOOD STAMPS TO PURCHASE VITAMINS AND MINERALS

Section 855 of Pub. L. 104-193 provided that:

“(a) IN GENERAL.—The Secretary of Agriculture, in consultation with the National Academy of Sciences and the Center for Disease Control and Prevention, shall conduct a study on the use of food stamps provided under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) to purchase vitamins and minerals.

“(b) ANALYSIS.—The study shall include—

“(1) an analysis of scientific findings on the efficacy of and need for vitamins and minerals, including—

“(A) the adequacy of vitamin and mineral intakes in low-income populations, as shown by research and surveys conducted prior to the study; and

“(B) the potential value of nutritional supplements in filling nutrient gaps that may exist in the United States population as a whole or in vulnerable subgroups in the population;

“(2) the impact of nutritional improvements (including vitamin or mineral supplementation) on the health status and health care costs of women of childbearing age, pregnant or lactating women, and the elderly;

“(3) the cost of commercially available vitamin and mineral supplements;

“(4) the purchasing habits of low-income populations with regard to vitamins and minerals;

“(5) the impact of using food stamps to purchase vitamins and minerals on the food purchases of low-income households; and

“(6) the economic impact on the production of agricultural commodities of using food stamps to purchase vitamins and minerals.

“(c) REPORT.—Not later than December 15, 1998, the Secretary shall report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”

DEMONSTRATION PROJECTS FOR VEHICLE EXCLUSION LIMIT

Section 912 of Pub. L. 102-237 provided that: “The Secretary of Agriculture shall solicit requests to par-

ticipate in the demonstration projects required by section 17(h) of the Food Stamp Act of 1977 (7 U.S.C. 2026(h)) by May 1, 1992. The projects shall commence operations no later than January 1, 1993.”

§ 2027. Appropriations and allotments

(a) Authorization of allotments; monthly reports of expenditures to Congressional committees; restriction on use of funds; nutrition education improvements

(1) To carry out this chapter, there are authorized to be appropriated such sums as are necessary for each of the fiscal years 2003 through 2007. Not to exceed one-fourth of 1 per centum of the previous year’s appropriation is authorized in each such fiscal year to carry out the provisions of section 2026 of this title, subject to paragraph (3).

(2) No funds authorized to be appropriated under this chapter or any other Act of Congress shall be used by any person, firm, corporation, group, or organization at any time, directly or indirectly, to interfere with or impede the implementation of any provision of this chapter or any rule, regulation, or project thereunder, except that this limitation shall not apply to the provision of legal and related assistance in connection with any proceeding or action before any State or Federal agency or court. The President shall ensure that this paragraph is complied with by such order or other means as the President deems appropriate.

(3)(A) Of the amounts made available under the second sentence of paragraph (1), not more than \$2,000,000 in any fiscal year may be used by the Secretary to make 2-year competitive grants that will—

(i) enhance interagency cooperation in nutrition education activities; and

(ii) develop cost effective ways to inform people eligible for food stamps about nutrition, resource management, and community nutrition education programs, such as the expanded food and nutrition education program.

(B) The Secretary shall make awards under this paragraph to one or more State cooperative extension services (as defined in section 3103(5) of this title) who shall administer the grants in coordination with other State or local agencies serving low-income people.

(C) Each project shall include an evaluation component and shall develop an implementation plan for replication in other States.

(D) The Secretary shall report to the appropriate committees of Congress on the results of the projects and shall disseminate the results through the cooperative extension service system and to State human services and health department offices, local food stamp program offices, and other entities serving low-income households.

(b) Limitation of value of allotments; reduction of allotments

In any fiscal year, the Secretary shall limit the value of those allotments issued to an amount not in excess of the appropriation for such fiscal year. Notwithstanding any other provision of this chapter, if in any fiscal year the Secretary finds that the requirements of participating States will exceed the appropriation, the

Secretary shall direct State agencies to reduce the value of such allotments to be issued to households certified as eligible to participate in the food stamp program to the extent necessary to comply with the provisions of this subsection.

(c) Manner of reducing allotments

In prescribing the manner in which allotments will be reduced under subsection (b) of this section, the Secretary shall ensure that such reductions reflect, to the maximum extent practicable, the ratio of household income, determined under sections 2014(d) and 2014(e) of this title, to the income standards of eligibility, for households of equal size, determined under section 2014(c) of this title. The Secretary may, in prescribing the manner in which allotments will be reduced, establish (1) special provisions applicable to persons sixty years of age or over and persons who are physically or mentally handicapped or otherwise disabled, and (2) minimum allotments after any reductions are otherwise determined under this section.

(d) Requisite action by Secretary to reduce allotments; statement to Congressional committees

Not later than sixty days after the issuance of a report under subsection (a) of this section in which the Secretary expresses the belief that reductions in the value of allotments to be issued to households certified to participate in the food stamp program will be necessary, the Secretary shall take the requisite action to reduce allotments in accordance with the requirements of this section. Not later than seven days after the Secretary takes any action to reduce allotments under this section, the Secretary shall furnish the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a statement setting forth (1) the basis of the Secretary’s determination, (2) the manner in which the allotments will be reduced, and (3) the action that has been taken by the Secretary to reduce the allotments.

(e) Disposition of funds collected pursuant to claims

Funds collected from claims against households or State agencies, including claims collected pursuant to sections¹ 2016(f) of this title, subsections (g) and (h) of section 2020 of this title, subsections (b) and (c) of section 2022 of this title, and section 2025(c)(1) of this title, claims resulting from resolution of audit findings, and claims collected from households receiving overissuances, shall be credited to the food stamp program appropriation account for the fiscal year in which the collection occurs. Funds provided to State agencies under section 2025(c) of this title shall be paid from the appropriation account for the fiscal year in which the funds are provided.

(f) Transfer of funds

No funds appropriated to carry out this chapter may be transferred to the Office of the Inspector General, or the Office of the General Counsel, of the Department of Agriculture.

¹ So in original. Probably should be “section”.

(Pub. L. 88-525, §18, as added Pub. L. 95-113, title XIII, §1301, Sept. 29, 1977, 91 Stat. 979; amended Pub. L. 96-58, §1, Aug. 14, 1979, 93 Stat. 389; Pub. L. 96-249, title I, §134, title II, §201, May 26, 1980, 94 Stat. 368, 370; Pub. L. 97-18, §1, June 30, 1981, 95 Stat. 102; Pub. L. 97-98, title XIII, §§1331, 1332, Dec. 22, 1981, 95 Stat. 1291; Pub. L. 97-253, title I, §§180(b)(2), 183, Sept. 8, 1982, 96 Stat. 784, 785; Pub. L. 99-198, title XV, §§1535(c)(2), 1541, 1542(a), Dec. 23, 1985, 99 Stat. 1585, 1589; Pub. L. 101-624, title XVII, §§1760, 1761, Nov. 28, 1990, 104 Stat. 3803, 3804; Pub. L. 104-127, title IV, §401(e), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 104-193, title VIII, §853, Aug. 22, 1996, 110 Stat. 2339; Pub. L. 105-362, title I, §101(b), Nov. 10, 1998, 112 Stat. 3281; Pub. L. 107-171, title IV, §§4118(c), 4122(c), May 13, 2002, 116 Stat. 321, 324.)

AMENDMENTS

2002—Subsec. (a)(1). Pub. L. 107-171, §4122(c), substituted “2003 through 2007” for “1996 through 2002”.

Subsec. (e). Pub. L. 107-171, §4118(c), substituted “subsections (g) and (h) of section 2020 of this title,” for “2020(g) and (h), and” and inserted “and section 2025(c)(1) of this title,” after “section 2022 of this title.”

1998—Subsec. (a)(1). Pub. L. 105-362 struck out at end “The Secretary shall, by the fifteenth day of each month, submit a report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate setting forth the Secretary’s best estimate of the second preceding month’s expenditure, including administrative costs, as well as the cumulative totals for the fiscal year. In each monthly report, the Secretary shall also state whether there is reason to believe that supplemental appropriations will be needed to support the operation of the program through the end of the fiscal year.”

1996—Subsec. (a)(1). Pub. L. 104-193 substituted “1996 through 2002” for “1991 through 1997” in first sentence.

Pub. L. 104-127 substituted “1991 through 1997” for “1991 through 1995” in first sentence.

1990—Subsec. (a)(1). Pub. L. 101-624, §§1760(1)(A), 1761(1), substituted “To carry out this chapter, there are authorized to be appropriated such sums as are necessary for each of the fiscal years 1991 through 1995.” for former first two sentences which related to authorizations of appropriation for fiscal years ending September 30, 1978 through September 30, 1990, and inserted “, subject to paragraph (3)”.

Pub. L. 101-624, §1760(1)(B), substituted “supplemental appropriations will be needed to support the operation of the program through the end of the fiscal year” for “reductions in the value of allotments issued to households certified to participate in the food stamp program will be necessary under subsection (b) of this section”.

Subsec. (a)(3). Pub. L. 101-624, §1761(2), added par. (3).

Subsec. (b). Pub. L. 101-624, §1760(2), struck out “amount authorized in subsection (a)(1) of this section” after “exceed the appropriation”.

1985—Subsec. (a)(1). Pub. L. 99-198, §1541(1), inserted provisions authorizing appropriations for fiscal years ending Sept. 30, 1986, 1987, 1988, 1989, and 1990.

Subsec. (b). Pub. L. 99-198, §1541(2), substituted “the appropriation amount authorized in subsection (a)(1) of this section,” for “the limitation set herein.”

Subsec. (e). Pub. L. 99-198, §1535(c)(2), substituted reference to subsections (b) and (c) of section 2022 of this title for reference to 2022(b) of this title.

Subsec. (f). Pub. L. 99-198, §1542(a), added subsec. (f).

1982—Subsec. (a)(1). Pub. L. 97-253, §183, inserted provisions for appropriations for the fiscal years ending on September 30, 1983-1985, inclusive.

Subsec. (e). Pub. L. 97-253, §180(b)(2), struck out reference to section 2025(g) of this title in first sentence.

1981—Subsec. (a)(1). Pub. L. 97-98, §1331, struck out “and” after “September 30, 1980;” and inserted “; and not in excess of \$11,300,000,000 for the fiscal year ending September 30, 1982”.

Pub. L. 97-18 substituted “\$11,480,000,000” for “\$9,739,276,000” in appropriation authorization for the fiscal year ending Sept. 30, 1981.

Subsec. (e). Pub. L. 97-98, §1332, added subsec. (e).

1980—Subsec. (a). Pub. L. 96-249 designated existing provisions as par. (1) and substituted “\$9,491,000,000” for “\$6,188,600,000” and “\$9,739,276,000” for “\$6,235,900,000”, and added par. (2).

1979—Subsec. (a). Pub. L. 96-58, §1(1), (2), substituted “\$6,778,900,000” for “\$6,158,900,000” in provisions authorizing appropriations for the fiscal year ending Sept. 30, 1979, struck out provisions directing that sums appropriated under this chapter would continue to remain available until expended, and inserted provisions requiring the Secretary to submit monthly reports to Senate and House Committees relating to monthly expenditures and stating whether or not there is reason to believe that reductions in the value of allotments issued to households certified to participate in the food stamp program will be necessary under subsec. (b) of this section.

Subsec. (b). Pub. L. 96-58, §1(3), substituted “Notwithstanding any other provision of this chapter, if” for “If” at beginning of second sentence.

Subsecs. (c), (d). Pub. L. 96-58, §1(4), added subsecs. (c) and (d).

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by section 4118(c) of Pub. L. 107-171 not applicable with respect to any sanction, appeal, new investment agreement, or other action by the Secretary of Agriculture or a State agency that is based on a payment error rate calculated for any fiscal year before fiscal year 2003, see section 4118(e) of Pub. L. 107-171, set out as a note under section 2022 of this title.

Amendment by section 4122(c) of Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by sections 1760(1)(A) and 1761 of Pub. L. 101-624 effective Oct. 1, 1990, and amendment by section 1760(1)(B), (2) of Pub. L. 101-624 effective Nov. 28, 1990, see section 1781(b)(1), (2) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1985 AMENDMENT

Section 1542(b) of Pub. L. 99-198 provided that: “The amendment made by this section [amending this section] shall become effective on October 1, 1986.”

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by section 180(b)(2) of Pub. L. 97-253 effective Oct. 1, 1982, see section 193(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by section 183 of Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective on earlier of Sept. 8, 1982, or date such amendment became effective pursuant to section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title, see section 192(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by Pub. L. 97-98 effective upon such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 1338 of Pub. L. 97-98, set out as a note under section 2012 of this title.

EFFECTIVE DATE

Section 1301 of Pub. L. 95-113 provided that this section is effective Oct. 1, 1977.

AVAILABILITY OF AMOUNTS IF SEQUESTRATION ORDER
ISSUED FOR FISCAL YEAR 1989

Amounts available to carry out food stamp program under this section to be reduced if sequestration order is issued under section 902(b) of Title 2, The Congress, see section 702(c)(1) of Pub. L. 100-435, set out as an Effective Date of 1988 Amendment note under section 2012 of this title.

§ 2028. Consolidated block grants for Puerto Rico and American Samoa

(a) Payments to governmental entities

(1) Definition of governmental entity

In this subsection, the term “governmental entity” means—

- (A) the Commonwealth of Puerto Rico; and
- (B) American Samoa.

(2) Block grants

(A) Amount of block grants

From the sums appropriated under this chapter, the Secretary shall, subject to this section, pay to governmental entities to pay the expenditures for nutrition assistance programs for needy persons as described in subparagraphs (B) and (C)—

- (i) for fiscal year 2003, \$1,401,000,000; and
- (ii) for each of fiscal years 2004 through 2007, the amount specified in clause (i), as adjusted by the percentage by which the thrifty food plan has been adjusted under section 2012(o)(4) of this title between June 30, 2002, and June 30 of the immediately preceding fiscal year.

(B) Payments to Commonwealth of Puerto Rico

(i) In general

For fiscal year 2003 and each fiscal year thereafter, the Secretary shall use 99.6 percent of the funds made available under subparagraph (A) for payment to the Commonwealth of Puerto Rico to pay—

- (I) 100 percent of the expenditures by the Commonwealth for the fiscal year for the provision of nutrition assistance included in the plan of the Commonwealth approved under subsection (b) of this section; and
- (II) 50 percent of the related administrative expenses.

(ii) Exception for expenditures for certain systems

Notwithstanding clause (i), the Commonwealth of Puerto Rico may spend in fiscal year 2002 or 2003 not more than \$6,000,000 of the amount required to be paid to the Commonwealth for fiscal year 2002 under this paragraph (as in effect on the day before May 13, 2002) to pay 100 percent of the costs of—

- (I) upgrading and modernizing the electronic data processing system used to carry out nutrition assistance programs for needy persons;
- (II) implementing systems to simplify the determination of eligibility to receive the nutrition assistance; and
- (III) operating systems to deliver the nutrition assistance through electronic benefit transfers.

(C) Payments to American Samoa

For fiscal year 2003 and each fiscal year thereafter, the Secretary shall use 0.4 percent of the funds made available under subparagraph (A) for payment to American Samoa to pay 100 percent of the expenditures by American Samoa for a nutrition assistance program extended under section 1469d(c) of title 48.

(D) Carryover of funds

For fiscal year 2002 and each fiscal year thereafter, not more than 2 percent of the funds made available under this paragraph for the fiscal year to each governmental entity may be carried over to the following fiscal year.

(3) Time and manner of payments to Commonwealth of Puerto Rico

The Secretary shall, subject to the provisions of subsection (b) of this section, pay to the Commonwealth for the applicable fiscal year, at such times and in such manner as the Secretary may determine, the amount estimated by the Commonwealth pursuant to subsection (b)(1)(A)(iv) of this section, reduced or increased to the extent of any prior overpayment or current underpayment which the Secretary determines has been made under this section and with respect to which adjustment has not already been made under this subsection.

(b) Plan for provision of assistance; approval; noncompliance

(1)(A) In order to receive payments under this chapter for any fiscal year, the Commonwealth shall have a plan for that fiscal year approved by the Secretary under this section. By July 1 of each year, if the Commonwealth wishes to receive payments, it shall submit a plan for the provision of the assistance described in subsection (a)(2)(B) of this section for the following fiscal year which—

- (i) designates the agency or agencies directly responsible for the administration, or supervision of the administration, of the program for the provision of such assistance;
- (ii) assesses the food and nutrition needs of needy persons residing in the Commonwealth;
- (iii) describes the program for the provision of such assistance, including the assistance to be provided and the persons to whom such assistance will be provided, and any agencies designated to provide such assistance, which program must meet such requirements as the Secretary may by regulation prescribe for the purpose of assuring that assistance is provided to the most needy persons in the jurisdiction;
- (iv) estimates the amount of expenditures necessary for the provision of the assistance described in the program and related administrative expenses, up to the amount provided for payment by subsection (a)(2)(B) of this section; and
- (v) includes such other information as the Secretary may require.

(B)(i) The Secretary shall approve or disapprove any plan submitted pursuant to subparagraph (A) no later than August 1 of the year

in which it is submitted. The Secretary shall approve any plan which complies with the requirements of subparagraph (A). If a plan is disapproved because it does not comply with any of the requirements of that paragraph the Secretary shall, except as provided in subparagraph (B)(ii), notify the appropriate agency in the Commonwealth that payments will not be made to it under subsection (a) of this section for the fiscal year to which the plan applies until the Secretary is satisfied that there is no longer any such failure to comply, and until the Secretary is so satisfied, the Secretary will make no payments.

(ii) The Secretary may suspend the denial of payments under subparagraph (B)(i) for such period as the Secretary determines appropriate and instead withhold payments provided for under subsection (a) of this section, in whole or in part, for the fiscal year to which the plan applies, until the Secretary is satisfied that there is no longer any failure to comply with the requirements of subparagraph (A), at which time such withheld payments shall be paid.

(2)(A) The Commonwealth shall provide for a biennial audit of expenditures under its program for the provision of the assistance described in subsection (a)(2)(B) of this section, and within 120 days of the end of each fiscal year in which the audit is made, shall report to the Secretary the findings of such audit.

(B) Within 120 days of the end of the fiscal year, the Commonwealth shall provide the Secretary with a statement as to whether the payments received under subsection (a) of this section for that fiscal year exceeded the expenditures by it during that year for which payment is authorized under this section, and if so, by how much, and such other information as the Secretary may require.

(C)(i) If the Secretary finds that there is a substantial failure by the Commonwealth to comply with any of the requirements of subparagraphs (A) and (B), or to comply with the requirements of subsection (b)(1)(A) of the section in the administration of a plan approved under subsection (b)(1)(B) of this section, the Secretary shall, except as provided in subparagraph (C)(ii), notify the appropriate agency in the Commonwealth that further payments will not be made to it under subsection (a) of this section until the Secretary is satisfied that there will no longer be any such failure to comply, and until the Secretary is so satisfied, the Secretary shall make no further payments.

(ii) The Secretary may suspend the termination of payments under subparagraph (C)(i) for such period as the Secretary determines appropriate, and instead withhold payments provided for under subsection (a) of this section, in whole or in part, until the Secretary is satisfied that there will no longer be any failure to comply with the requirements of subparagraphs (A) and (B) and subsection (b)(1)(A) of this section, at which time such withheld payments shall be paid.

(iii) Upon a finding under subparagraph (C)(i) of a substantial failure to comply with any of the requirements of subparagraphs (A) and (B) and subsection (b)(1)(A) of this section, the Secretary may, in addition to or in lieu of any ac-

tion taken under subparagraphs (C)(i) and (C)(ii), refer the matter to the Attorney General with a request that injunctive relief be sought to require compliance by the Commonwealth of Puerto Rico, and upon suit by the Attorney General in an appropriate district court of the United States and a showing that noncompliance has occurred, appropriate injunctive relief shall issue.

(c) Review; technical assistance

(1) The Secretary shall provide for the review of the programs for the provision of the assistance described in subsection (a)(2)(A) of this section for which payments are made under this chapter.

(2) The Secretary is authorized as the Secretary deems practicable to provide technical assistance with respect to the programs for the provision of the assistance described in subsection (a)(2)(A) of this section.

(d) Penalty for violations

Whoever knowingly and willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any funds, assets, or property provided or financed under this section shall be fined not more than \$10,000 or imprisoned for not more than five years, or both, but if the value of the funds, assets or property involved is not over \$200, the penalty shall be a fine of not more than \$1,000 or imprisonment for not more than one year, or both.

(Pub. L. 88-525, § 19, as added Pub. L. 97-35, title I, § 116(a)(2), Aug. 13, 1981, 95 Stat. 364; amended Pub. L. 97-253, title I, § 184(a), Sept. 8, 1982, 96 Stat. 785; Pub. L. 98-204, § 1, Dec. 2, 1983, 97 Stat. 1385; Pub. L. 99-114, § 2, Oct. 1, 1985, 99 Stat. 488; Pub. L. 99-157, § 3, Nov. 15, 1985, 99 Stat. 818; Pub. L. 99-182, § 3, Dec. 13, 1985, 99 Stat. 1173; Pub. L. 99-198, title XV, § 1543, Dec. 23, 1985, 99 Stat. 1589; Pub. L. 101-624, title XVII, § 1762(b), Nov. 28, 1990, 104 Stat. 3804; Pub. L. 102-237, title IX, § 941(9), Dec. 13, 1991, 105 Stat. 1893; Pub. L. 103-66, title XIII, § 13917, Aug. 10, 1993, 107 Stat. 674; Pub. L. 104-127, title IV, § 401(f), Apr. 4, 1996, 110 Stat. 1026; Pub. L. 106-387, § 1(a) [title VIII, § 821], Oct. 28, 2000, 114 Stat. 1549, 1549A-59; Pub. L. 107-171, title IV, § 4124(a), May 13, 2002, 116 Stat. 324.)

AMENDMENTS

2002—Pub. L. 107-171, § 4124(a)(1), substituted “Consolidated block grants for Puerto Rico and American Samoa” for “Puerto Rico block grant” in section catchline.

Subsec. (a). Pub. L. 107-171, § 4124(a)(1), inserted heading, added pars. (1) and (2), redesignated former par. (2) as (3) and inserted heading, and struck out former par. (1) which read as follows:

“(1)(A) From the sums appropriated under this chapter, the Secretary shall, subject to the provisions of this section, pay to the Commonwealth of Puerto Rico—

“(i) for fiscal year 2000, \$1,268,000,000;

“(ii) for fiscal year 2001, the amount required to be paid under clause (i) for fiscal year 2000, as adjusted by the change in the Food at Home series of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics of the Department of Labor, for the most recent 12-month period ending in June; and

“(iii) for fiscal year 2002, the amount required to be paid under clause (ii) for fiscal year 2001, as adjusted by the percentage by which the thrifty food plan is

adjusted for fiscal year 2002 under section 2012(o)(4) of this title;

to finance 100 percent of the expenditures for food assistance provided to needy persons and 50 percent of the administrative expenses related to the provision of the assistance.

“(B) The payments to the Commonwealth for any fiscal year shall not exceed the expenditures by that jurisdiction during that year for the provision of the assistance the provision of which is included in the plan of the Commonwealth approved under subsection (b) of this section and 50 per centum of the related administrative expenses.”

Subsec. (b). Pub. L. 107-171, §4124(a)(2), substituted “subsection (a)(2)(B) of this section” for “subsection (a)(1)(A) of this section” wherever appearing.

Subsec. (c). Pub. L. 107-171, §4124(a)(3), substituted “subsection (a)(2)(A) of this section” for “subsection (a)(1)(A) of this section” in two places.

2000—Subsec. (a)(1)(A). Pub. L. 106-387 substituted “Puerto Rico—” and cls. (i) to (iii) for “Puerto Rico \$1,143,000,000 for fiscal year 1996, \$1,174,000,000 for fiscal year 1997, \$1,204,000,000 for fiscal year 1998, \$1,236,000,000 for fiscal year 1999, \$1,268,000,000 for fiscal year 2000, \$1,301,000,000 for fiscal year 2001, and \$1,335,000,000 for fiscal year 2002.”

1996—Subsec. (a)(1)(A). Pub. L. 104-127 substituted “\$1,143,000,000 for fiscal year 1996, \$1,174,000,000 for fiscal year 1997, \$1,204,000,000 for fiscal year 1998, \$1,236,000,000 for fiscal year 1999, \$1,268,000,000 for fiscal year 2000, \$1,301,000,000 for fiscal year 2001, and \$1,335,000,000 for fiscal year 2002” for “\$974,000,000 for fiscal year 1991, \$1,013,000,000 for fiscal year 1992, \$1,051,000,000 for fiscal year 1993, \$1,097,000,000 for fiscal year 1994, and \$1,143,000,000 for fiscal year 1995”.

1993—Subsec. (a)(1)(A). Pub. L. 103-66 substituted “\$1,097,000,000” for “\$1,091,000,000” and “\$1,143,000,000” for “\$1,133,000,000”.

1991—Subsec. (b)(1)(A)(i). Pub. L. 102-237 struck out a period after “directly”.

1990—Subsec. (a)(1)(A). Pub. L. 101-624 amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “From the sums appropriated under this chapter the Secretary shall, subject to the provisions of this subsection and subsection (b) of this section, pay to the Commonwealth of Puerto Rico not to exceed \$825,000,000 for the fiscal year ending September 30, 1986, \$852,750,000 for the fiscal year ending September 30, 1987, \$879,750,000 for the fiscal year ending September 30, 1988, \$908,250,000 for the fiscal year ending September 30, 1989, and \$936,750,000 for the fiscal year ending September 30, 1990, to finance 100 per centum of the expenditures for food assistance provided to needy persons, and 50 per centum of the administrative expenses related to the provision of such assistance.”

1985—Subsec. (a)(1)(A). Pub. L. 99-198, §1543(1), (2), substituted “for the fiscal year ending September 30, 1986, \$852,750,000 for the fiscal year ending September 30, 1987, \$879,750,000 for the fiscal year ending September 30, 1988, \$908,250,000 for the fiscal year ending September 30, 1989, and \$936,750,000 for the fiscal year ending September 30, 1990,” for “for each fiscal year” and struck out “noncash” after “100 per centum of the expenditures for”.

Pub. L. 99-114, Pub. L. 99-157, and Pub. L. 99-182, made identical amendments which temporarily struck out “noncash” after “100 per centum of the expenditures for”, for specified periods of time. See Effective and Termination Dates of 1985 Amendments note below.

Subsec. (b)(1)(A)(i). Pub. L. 99-198, §1543(3), substituted “the agency or agencies directly.” for “a single agency which shall be”.

1983—Subsec. (a)(1)(A). Pub. L. 98-204 temporarily struck out “noncash” after “100 per centum of the expenditures for”. See Effective and Termination Dates of 1983 Amendment note below.

1982—Subsec. (a)(1)(A). Pub. L. 97-253 substituted “the expenditures for noncash food assistance” for “the expenditures for food assistance”.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4124(c), (d), May 13, 2002, 116 Stat. 326, provided that:

“(c) APPLICABILITY.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending this section and repealing section 2033 of this title] apply beginning on October 1, 2002.

“(2) EXCEPTIONS.—Subparagraphs (B)(ii) and (D) of section 19(a)(2) of the Food Stamp Act of 1977 [7 U.S.C. 2028(a)(2)] (as amended by subsection (a)(1)) apply beginning on the date of enactment of this Act [May 13, 2002].

“(d) EFFECTIVE DATE.—The amendments made by this section [amending this section and repealing section 2033 of this title] take effect on the date of enactment of this Act [May 13, 2002].”

EFFECTIVE AND TERMINATION DATES OF 1985 AMENDMENTS

Section 3 of Pub. L. 99-182 provided that the amendment made by that section is effective for the period beginning Dec. 14, 1985, and ending Dec. 31, 1985.

Section 3 of Pub. L. 99-157 provided that the amendment made by that section is effective for the period beginning Nov. 16, 1985, and ending Dec. 13, 1985.

Section 2 of Pub. L. 99-114 provided that the amendment made by that section is effective for the period beginning Oct. 1, 1985, and ending Nov. 15, 1985.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective, and to be implemented beginning on, Oct. 1, 1993, see section 13971(a) of Pub. L. 103-66, set out as a note under section 2025 of this title.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-624 effective Oct. 1, 1990, see section 1781(b)(1) of Pub. L. 101-624, set out as a note under section 2012 of this title.

EFFECTIVE AND TERMINATION DATES OF 1983 AMENDMENT

Section 1 of Pub. L. 98-204 provided that the amendment made by that section is effective for the period beginning Jan. 1, 1984, and ending Sept. 30, 1985.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Section 184(b) of Pub. L. 97-253, as amended by Pub. L. 98-107, §101(b), Oct. 1, 1983, 97 Stat. 734, provided that: “The amendment made by subsection (a) [amending this section] shall not apply with respect to any plan submitted under section 19(b) of the Food Stamp Act of 1977 (7 U.S.C. 2028(b)) [subsec. (b) of this section] by the Commonwealth of Puerto Rico in order to receive payments for the fiscal year ending September 30, 1982, or the fiscal year ending September 30, 1983, or for the first three months of the fiscal year ending September 30, 1984.”

EFFECTIVE DATE

Section 116(a) of Pub. L. 97-35 provided that this section is effective July 1, 1982.

NUTRITION ASSISTANCE PROGRAM IN PUERTO RICO

Section 1762(a) of Pub. L. 101-624 provided that: “It is the policy of Congress that citizens of the United States who reside in the Commonwealth of Puerto Rico

should be safeguarded against hunger and treated on an equitable and fair basis with other citizens under Federal nutritional programs.”

NUTRITIONAL NEEDS OF PUERTO RICANS; STUDY AND REPORT TO CONGRESS

Section 1762(c), (d) of Pub. L. 101-624 provided that:

“(c) STUDY OF NUTRITIONAL NEEDS OF PUERTO RICANS.—The Comptroller General of the United States shall conduct a study of—

“(1) the nutritional needs of the citizens of the Commonwealth of Puerto Rico, including—

“(A) the adequacy of the nutritional level of the diets of members of households receiving assistance under the nutrition assistance program and other households not currently receiving the assistance;

“(B) the incidence of inadequate nutrition among children and the elderly residing in the Commonwealth;

“(C) the nutritional impact of restoring the level of nutritional assistance provided to households in the Commonwealth to the level of the assistance provided to other households in the United States; and

“(D) such other factors as the Comptroller General considers appropriate; and

“(2) the potential alternative means of providing nutritional assistance in the Commonwealth of Puerto Rico, including—

“(A) the impact of restoring the Commonwealth to the food stamp program;

“(B) increasing the benefits provided under the nutrition assistance program to the aggregate value of food stamp coupons that would be distributed to households in the Commonwealth if the Commonwealth were to participate in the food stamp program; and

“(C) the usefulness of adjustments to standards of eligibility and other factors appropriate to the circumstances of the Commonwealth comparable to those adjustments made under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) for Alaska, Hawaii, Guam, and the Virgin Islands of the United States.

“(d) REPORT OF FINDINGS.—Not later than August 1, 1992, the Comptroller General shall submit a final report on the findings of the study required under subsection (c) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.”

STUDY OF FOOD ASSISTANCE PROGRAM IN PUERTO RICO; REPORT TO CONGRESS BY MARCH 1, 1985

Section 2 of Pub. L. 98-204 provided that: “The Secretary of Agriculture shall conduct a study of the food assistance program in Puerto Rico carried out under section 19 of the Food Stamp Act of 1977 (7 U.S.C. 2028) which shall include (1) an assessment of its impact on the adequacy of the nutritional level of the diets of households receiving food assistance in the form of cash rather than in a noncash form, (2) an assessment of the expenditure levels for food of such households, and (3) any other factors the Secretary considers appropriate. The Secretary shall submit a final report of the findings of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate no later than March 1, 1985.”

AMOUNT PAYABLE TO THE COMMONWEALTH OF PUERTO RICO FOR FISCAL YEAR 1982; PLANS TO BE SUBMITTED TO THE SECRETARY FOR GRANTS FOR FISCAL YEARS 1982 AND 1983

Section 116(b) of Pub. L. 97-35 provided that: “Notwithstanding the provisions of section 19 of the Food Stamp Act of 1977 [this section], as added by this section—

“(1) the amount payable to the Commonwealth of Puerto Rico under section 19 for fiscal year 1982 shall be \$206,500,000, and the Secretary of Agriculture is au-

thorized to grant such waivers of the requirements imposed by that section with respect to that fiscal year as the Secretary determines appropriate to carry out the purposes of that section; and

“(2) in order to receive the amounts payable under this subsection or section 19 for fiscal years 1982 and 1983, the Commonwealth shall submit, for the Secretary’s approval, the plan required by the provisions of subsection (b) of section 19 by April 1, 1982.”

§ 2029. Workfare

(a) Program plan; guidelines; compliance

(1) The Secretary shall permit any political subdivision, in any State, that applies and submits a plan to the Secretary in compliance with guidelines promulgated by the Secretary to operate a workfare program pursuant to which every member of a household participating in the food stamp program who is not exempt by virtue of the provisions of subsection (b) of this section shall accept an offer from such subdivision to perform work on its behalf, or may seek an offer to perform work, in return for compensation consisting of the allotment to which the household is entitled under section 2017(a) of this title, with each hour of such work entitling that household to a portion of its allotment equal in value to 100 per centum of the higher of the applicable State minimum wage or the Federal minimum hourly rate under the Fair Labor Standards Act of 1938 [29 U.S.C. 201 et seq.].

(2)(A) The Secretary shall promulgate guidelines pursuant to paragraph (1) which, to the maximum extent practicable, enable a political subdivision to design and operate a workfare program under this section which is compatible and consistent with similar workfare programs operated by the subdivision.

(B) A political subdivision may comply with the requirements of this section by operating any workfare program which the Secretary determines meets the provisions and protections provided under this section.

(b) Exempt household members

A household member shall be exempt from workfare requirements imposed under this section if such member is—

(1) exempt from section 2015(d)(1) of this title as the result of clause (B), (C), (D), (E), or (F) of section 2015(d)(2) of this title;

(2) at the option of the operating agency, subject to and currently actively and satisfactorily participating at least 20 hours a week in a work activity required under title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(3) mentally or physically unfit;

(4) under sixteen years of age;

(5) sixty years of age or older; or

(6) a parent or other caretaker of a child in a household in which another member is subject to the requirements of this section or is employed fulltime.

(c) Valuation or duration of work

No operating agency shall require any participating member to work in any workfare position to the extent that such work exceeds in value the allotment to which the household is otherwise entitled or that such work, when added to any other hours worked during such week by such member for compensation (in cash or in

kind) in any other capacity, exceeds thirty hours a week.

(d) Nature, conditions, and costs of work

The operating agency shall—

(1) not provide any work that has the effect of replacing or preventing the employment of an individual not participating in the workfare program;

(2) provide the same benefits and working conditions that are provided at the job site to employees performing comparable work for comparable hours; and

(3) reimburse participants for actual costs of transportation and other actual costs all of which are reasonably necessary and directly related to participation in the program but not to exceed \$25 in the aggregate per month.

(e) Job search period

The operating agency may allow a job search period, prior to making workfare assignments, of up to thirty days following a determination of eligibility.

(f) Disqualification

An individual or a household may become ineligible under section 2015(d)(1) of this title to participate in the food stamp program for failing to comply with this section.

(g) Payment of administrative expenses

(1) The Secretary shall pay to each operating agency 50 per centum of all administrative expenses incurred by such agency in operating a workfare program, including reimbursements to participants for work-related expenses as described in subsection (d)(3) of this section.

(2)(A) From 50 per centum of the funds saved from employment related to a workfare program operated under this section, the Secretary shall pay to each operating agency an amount not to exceed the administrative expenses described in paragraph (1) for which no reimbursement is provided under such paragraph.

(B) For purposes of subparagraph (A), the term “funds saved from employment related to a workfare program operated under this section” means an amount equal to three times the dollar value of the decrease in allotments issued to households, to the extent that such decrease results from wages received by members of such households for the first month of employment beginning after the date such members commence such employment if such employment commences—

(i) while such members are participating for the first time in a workfare program operated under this section; or

(ii) in the thirty-day period beginning on the date such first participation is terminated.

(3) The Secretary may suspend or cancel some or all of these payments, or may withdraw approval from a political subdivision to operate a workfare program, upon a finding that the subdivision has failed to comply with the workfare requirements.

(Pub. L. 88-525, § 20, as added Pub. L. 97-98, title XIII, § 1333, Dec. 22, 1981, 95 Stat. 1291; amended Pub. L. 97-253, title I, §§ 185-188, Sept. 8, 1982, 96 Stat. 786; Pub. L. 99-198, title XV, § 1517(d), Dec.

23, 1985, 99 Stat. 1577; Pub. L. 102-237, title IX, § 941(10), Dec. 13, 1991, 105 Stat. 1893; Pub. L. 104-193, title I, § 109(e), title VIII, § 815(b)(2), Aug. 22, 1996, 110 Stat. 2170, 2317.)

REFERENCES IN TEXT

The Fair Labor Standards Act of 1938, referred to in subsec. (a)(1), is act June 25, 1938, ch. 676, 52 Stat. 1060, as amended, which is classified generally to chapter 8 (§ 201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

The Social Security Act, referred to in subsec. (b)(2), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title IV of the Act is classified generally to subchapter IV (§ 601 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

1996—Subsec. (a)(2)(B). Pub. L. 104-193, § 109(e)(1), substituted “operating any” for “operating—

“(i) a workfare program pursuant to title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

“(ii) any other”.

Subsec. (b). Pub. L. 104-193, § 109(e)(2), struck out “(1)” before “A household member shall be exempt”, redesignated subpars. (A) to (F) as pars. (1) to (6), respectively, in par. (2), substituted “a work activity” for “a work training program”, and struck out former par. (2) which read as follows:

“(2)(A) Subject to subparagraphs (B) and (C), in the case of a household that is exempt from work requirements imposed under this chapter as the result of participation in a community work experience program established under section 409 of the Social Security Act (42 U.S.C. 609), the maximum number of hours in a month for which all members of such household may be required to participate in such program shall equal the result obtained by dividing—

“(i) the amount of assistance paid to such household for such month under title IV of such Act, together with the value of the food stamp allotment of such household for such month; by

“(ii) the higher of the Federal or State minimum wage in effect for such month.

“(B) In no event may any such member be required to participate in such program more than 120 hours per month.

“(C) For the purpose of subparagraph (A)(i), the value of the food stamp allotment of a household for a month shall be determined in accordance with regulations governing the issuance of an allotment to a household that contains more members than the number of members in an assistance unit established under title IV of such Act.”

Subsec. (f). Pub. L. 104-193, § 815(b)(2), added subsec. (f) and struck out former subsec. (f) which read as follows: “In the event that any person fails to comply with the requirements of this section, neither that person nor the household to which that person belongs shall be eligible to participate in the food stamp program for two months, unless that person or another person in the household satisfies all outstanding workfare obligations prior to the end of the two-month disqualification period.”

1991—Subsec. (g)(2). Pub. L. 102-237 realigned the margins of subpars. (A) and (B) and cls. (i) and (ii) of subpar. (B).

1985—Subsec. (b). Pub. L. 99-198 in amending subsec. (b) generally, designated existing provisions of subsec. (b) as par. (1), reorganized and expanded provisions of par. (1) as thus designated, lowered minimum age for exempted household members from eighteen years to sixteen years, and added par. (2).

1982—Subsec. (a). Pub. L. 97-253, § 185, redesignated existing provisions, formerly undesignated, as par. (1), and added par. (2).

Subsec. (b)(4). Pub. L. 97-253, § 186, substituted “at the option of the operating agency, subject to and cur-

rently actively and satisfactorily participating” for “subject to and currently involved”.

Subsec. (c). Pub. L. 97-253, §187, substituted “, when added to any other hours worked during such week by such member for compensation (in cash or in kind) in any other capacity, exceeds thirty hours a week” for “either exceeds twenty hours a week or would, together with any other hours worked in any other compensated capacity by such member on a regular or predictable part-time basis, exceed thirty hours a week”.

Subsec. (g)(2), (3). Pub. L. 97-253, §188, added par. (2) and redesignated former par. (2) as (3).

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 109(e) of Pub. L. 104-193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as an Effective Date note under section 601 of Title 42, The Public Health and Welfare.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by sections 185 to 187 of Pub. L. 97-253 effective Sept. 8, 1982, see section 193(a) of Pub. L. 97-253, set out as a note under section 2012 of this title.

Amendment by section 188 of Pub. L. 97-253 effective Oct. 1, 1982, see section 193(b) of Pub. L. 97-253, set out as a note under section 2012 of this title.

EFFECTIVE DATE

Section effective on earlier of Sept. 8, 1982, or date effective pursuant to section 1338 of Pub. L. 97-98, set out as an Effective Date of 1981 Amendment note under section 2012 of this title, which made the section effective on such date as Secretary of Agriculture may prescribe, taking into account need for orderly implementation, see section 192(b) of Pub. L. 97-253 set out as an Effective Date of 1982 Amendment note under section 2012 of this title.

§ 2030. Washington Family Independence Demonstration Project

(a) In general

Upon written application of the State of Washington (in this section referred to as the “State”) and after the approval of such application by the Secretary, the State may conduct a Family Independence Demonstration Project (in this section referred to as the “Project”) in all or in part of the State in accordance with this section to determine whether the Project, as an alternative to providing benefits under the food stamp program, would more effectively break the cycle of poverty and would provide families with opportunities for economic independence and strengthened family functioning.

(b) Nature of Project

In an application submitted under subsection (a) of this section, the State shall provide the following:

(1) Except as provided in this section, the provisions of chapter 434 of the 1987 Washing-

ton Laws, as enacted in May 1987, shall apply to the operation of the Project.

(2) All of the following terms and conditions shall be in effect under the Project:

(A)(i) Except as provided in clause (ii), individuals with respect to whom benefits may be paid under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.], and such other individuals as are included in the Project pursuant to chapter 434 of the 1987 Washington Laws, as enacted in May 1987, shall be eligible to participate in the Project in lieu of receiving benefits under the food stamp program and cash assistance under any other Federal program covered by the Project.

(ii) Individuals who receive only child care or medical benefits under the Project shall not be eligible to receive food assistance under the Project. Such individuals may receive coupons under the food stamp program if eligible.

(B) Individuals who participate in the Project shall receive for each month an amount of cash assistance that is not less than the total value of the assistance such individuals would otherwise receive, in the aggregate, under the food stamp program and any cash-assistance Federal program covered by the Project for such month, including income and resource exclusions and deductions, and benefit levels.

(C)(i) The State may provide a standard benefit for food assistance under the Project, except that individuals who participate in the Project shall receive as food assistance for a month an amount of cash that is not less than the value of the assistance such individuals would otherwise receive under the food stamp program.

(ii) The State may provide a cash benefit for food assistance equal to the value of the thrifty food plan.

(D) Each month participants in the Project shall be notified by the State of the amount of Project assistance that is provided as food assistance for such month.

(E) The State shall have a program to require participants to engage in employment and training activities carried out under chapter 434 of the 1987 Washington Laws, as enacted in May 1987.

(F) Food assistance shall be provided under the Project—

(i) to any individual who is accepted for participation in the Project, not later than 30 days after such individual applies to participate in the Project;

(ii) to any participant for the period that begins on the date such participant applies to participate in the Project, except that the amount of such assistance shall be reduced to reflect the pro rata value of any coupons received under the food stamp program for such period for the benefit of such participant; and

(iii) until—

(I) the participant’s cash assistance under the Project is terminated;

(II) such participant is informed of such termination and is advised of the

eligibility requirements for participation in the food stamp program;

(III) the State determines whether such participant will be eligible to receive coupons as a member of a household under the food stamp program; and

(IV) coupons under the food stamp program are received by such participant if such participant will be eligible to receive coupons as a member of a household under the food stamp program.

(G)(i) Paragraphs (1)(B), (8), (10), and (19)¹ of section 2020(e) of this title shall apply with respect to the participants in the Project in the same manner as such paragraphs apply with respect to participants in the food stamp program.

(ii) Each individual who contacts the State in person during office hours to make what may reasonably be interpreted as an oral or written request to participate in the Project shall receive and shall be permitted to file on the same day that such contact is first made, an application form to participate in the Project.

(iii) The Project shall provide for telephone contact by, mail delivery of forms to and mail return of forms by, and subsequent home or telephone interview with, the elderly persons, physically or mentally handicapped, and persons otherwise unable, solely because of transportation difficulties and similar hardships, to appear in person.

(iv) An individual who applies to participate in the Project may be represented by another person in the review process if the other person has been clearly designated as the representative of such individual for that purpose, by such individual or the spouse of such individual, and, in the case of the review process, the representative is an adult who is sufficiently aware of relevant circumstances, except that the State may—

(I) restrict the number of individuals who may be represented by such person; and

(II) otherwise establish criteria and verification standards for representation under this clause.

(v) The State shall provide a method for reviewing applications to participate in the Project submitted by, and distributing food assistance under the Project to, individuals who do not reside in permanent dwellings or who have no fixed mailing address. In carrying out the preceding sentence, the State shall take such steps as are necessary to ensure that participation in the Project is limited to eligible individuals.

(3) An assurance that the State will allow any individual to apply to participate in the food stamp program without applying to participate in the Project.

(4) An assurance that the cost of food assistance provided under the Project will not be such that the aggregate amount of payments made under this section by the Secretary to the State over the period of the Project will exceed the sum of—

(A) the anticipated aggregate value of the coupons that would have been distributed under the food stamp program if the individuals who participate in the Project had participated instead in the food stamp program; and

(B) the portion of the administrative costs for which the State would have received reimbursement under—

(i) subsections (a) and (g) of section 2025 of this title (without regard to the first proviso to such subsection (g)) if the individuals who participated in the Project had participated instead in the food stamp program; and

(ii) section 2025(h) of this title if the individuals who participated in the Project had participated in an employment and training program under section 2015(d)(4) of this title;

except that this paragraph shall not be construed to prevent the State from claiming payments for additional households that would qualify for benefits under the food stamp program in the absence of a cash out of such benefits as a result of changes in economic, demographic, and other conditions in the State or a subsequent change in the benefit levels approved by the State legislature.

(5) An assurance that the State will continue to carry out the food stamp program while the State carries out the Project.

(6) If there is a change in existing State law that would eliminate guaranteed benefits or reduce the rights of applicants or participants under this section during, or as a result of participation in, the Project, the Project shall be terminated.

(7) An assurance that the Project shall include procedures and due process guarantees no less beneficial than those which are available under Federal law and under State law to participants in the food stamp program.

(8)(A) An assurance that, except as provided in subparagraph (B), the State will carry out the Project during a 5-year period beginning on the date the first individual is approved for participation in the Project.

(B) The Project may be terminated 180 days after—

(i) the State gives notice to the Secretary that it intends to terminate the Project; or

(ii) the Secretary, after notice and an opportunity for a hearing, determines that the State materially failed to comply with this section.

(c) Funding

If an application submitted under subsection (a) of this section by the State complies with the requirements specified in subsection (b) of this section, then the Secretary shall—

(1) approve such application; and

(2) from funds appropriated under this chapter, pay the State for—

(A) the actual cost of the food assistance provided under the Project; and

(B) the percentage of the administrative costs incurred by the State to provide food assistance under the Project that is equal to

¹ See References in Text note below.

the percentage of the State's aggregate administrative costs incurred in operating the food stamp program in the most recent fiscal year for which data are available, that was paid under subsections (a), (g), and (h) of section 2025 of this title.

(d) Project application

(1) Unless and until an application to participate in the Project is approved, and food assistance under the Project is made available to the applicant—

(A) such application shall also be treated as an application to participate in the food stamp program; and

(B) section 2020(e)(9) of this title shall apply with respect to such application.

(2) Coupons provided under the food stamp program with respect to an individual who—

(A) is participating in such program; and

(B) applies to participate in the Project;

may not be reduced or terminated because such individual applies to participate in the Project.

(3) For households eligible to participate in the food stamp program that contain some members who participate in the Project and other members who do not participate in the Project, those members who do not participate in the Project shall receive a separate benefit in food coupons under the food stamp program that is not less than the amount of food stamp benefits that such members would have received were the Project not implemented.

(e) Waiver

The Secretary shall (with respect to the Project) waive compliance with any requirement contained in this chapter (other than this section) that (if applied) would prevent the State from carrying out the Project or effectively achieving its purpose.

(f) Construction

For purposes of any other Federal, State or local law—

(1) cash assistance provided under the Project that represents food assistance shall be treated in the same manner as coupons provided under the food stamp program are treated; and

(2) participants in the program who receive food assistance under the Project shall be treated in the same manner as recipients of coupons under the food stamp program are treated.

(g) Project audits

The Comptroller General of the United States may—

(1) conduct periodic audits of the operation of the Project to verify the amounts payable to the State from time to time under subsection (b)(4) of this section; and

(2) submit to the Secretary of Agriculture, the Secretary of Health and Human Services, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of each such audit.

(h) Evaluation

With funds appropriated under section 2027(a)(1) of this title, the Secretary shall con-

duct, in consultation with the Secretary of Health and Human Services, an evaluation of the Project.

(Pub. L. 88-525, §21, as added Pub. L. 100-203, title I, §1509, Dec. 22, 1987, 101 Stat. 1330-29; amended Pub. L. 100-481, §1, Oct. 11, 1988, 102 Stat. 2336; Pub. L. 104-316, title I, §104(a), Oct. 19, 1996, 110 Stat. 3829.)

REFERENCES IN TEXT

Paragraph (19) of section 2020(e) of this title, referred to in subsec. (b)(2)(G)(i), was redesignated paragraph (18) of section 2020(e) of this title by Pub. L. 104-193, title VIII, §835(1)(D)(i), Aug. 22, 1996, 110 Stat. 2330.

The Social Security Act, referred to in subsec. (b)(2)(A)(i), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Social Security Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

AMENDMENTS

1996—Subsec. (g). Pub. L. 104-316 substituted “may” for “shall” in introductory provisions.

1988—Subsec. (d)(3). Pub. L. 100-481 amended par. (3) generally. Prior to amendment, par. (3) read as follows: “For purposes of the food stamp program, individuals who participate in the Project shall not be considered to be members of a household during the period of such participation.”

EFFECTIVE DATE OF 1988 AMENDMENT

Section 2 of Pub. L. 100-481 provided that: “The amendment made by this Act [amending this section] shall become effective on July 1, 1988.”

§ 2031. Food stamp portion of Minnesota Family Investment Plan

(a) In general

(1) Subject to paragraph (2), upon written application of the State of Minnesota that complies with this section and sections 6 to 11, 13, 130, and 132 of article 5 of 282 of the 1989 Laws of Minnesota, and after approval of such application by the Secretary in accordance with subsections (b) and (d) of this section, the State may implement a family investment demonstration project (hereinafter in this section referred to as the “Project”) in parts of the State to determine whether the Project more effectively helps families to become self-supporting and enhances their ability to care for their children than do the food stamp program and programs under parts A and F¹ of title IV of the Social Security Act [42 U.S.C. 601 et seq.]. The State may provide cash payments under the Project, subject to paragraph (2), that replace assistance otherwise available under the food stamp program and under part A of title IV of the Social Security Act.

(2) The Project may be implemented only in accordance with this section and only if the Secretary of Health and Human Services approves an application submitted by the State permitting the State to include in the Project families who are eligible to receive benefits under part A of title IV of the Social Security Act.

(b) Required terms and conditions of Project

The application submitted by the State under subsection (a) of this section shall provide an as-

¹ See References in Text note below.

surance that the Project shall satisfy all of the following requirements:

(1) Only families may be eligible to receive assistance and services through the Project.

(2) Participating families, families eligible for or participating in the program authorized under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] or the food stamp program that are assigned to and found eligible for the Project, and families required to submit an application for the Project that are found eligible for the Project shall be ineligible to receive benefits under the food stamp program.

(3)(A) Subject to the provisions of this paragraph and any reduction imposed under subsection (c)(3) of this section, the value of assistance provided to participating families shall not be less than the aggregate value of the assistance such families could receive under the food stamp program and part A of title IV of the Social Security Act if such families did not participate in the Project.

(B) For purposes of satisfying the requirement specified in subparagraph (A)—

(i) payments for child care expenses under the Project shall be considered part of the value of assistance provided to participating families with earnings;

(ii) payments for child care expenses for families without earnings shall not be considered part of the value of assistance provided to participating families or the aggregate value of assistance that such families could have received under the food stamp program and part A of title IV of the Social Security Act; and

(iii) any child support payments not assigned to the State under the provisions of part A of title IV of the Social Security Act, less \$50 per month, shall be considered part of the aggregate value of assistance participating families would receive if such families did not participate in the Project;

(C) For purposes of satisfying the requirement specified in subparagraph (A), the State shall—

(i) identify the sets of characteristics indicative of families that might receive less assistance under the Project;

(ii) establish a mechanism to determine, for each participating family that has a set of characteristics identified under clause (i) whether such family could receive more assistance, in the aggregate, under the food stamp program and part A of title IV of the Social Security Act if such family did not participate in the project;

(iii) increase the amount of assistance provided under the Project to any family that could receive more assistance, in the aggregate, under the food stamp program and part A of title IV of the Social Security Act if such family did not participate in the Project, so that the assistance provided under the Project to such family is not less than the aggregate amount of assistance such family could receive under the food stamp program and part A of title IV of the Social Security Act if such family did not participate in the Project; and

(iv) increase the amount of assistance paid to participating families, if the State or locality imposes a sales tax on food, by the amount needed to compensate for the tax.

This subparagraph shall not be construed to require the State to make the determination under clause (ii) for families that do not have a set of characteristics identified under clause (i).

(D)(i) The State shall designate standardized amounts of assistance provided as food assistance under the Project and notify monthly each participating family of such designated amount.

(ii) The amount of food assistance so designated shall be at least the value of coupons such family could have received under the food stamp program if the Project had not been implemented. The provisions of this subparagraph shall not require that the State make individual determinations as to the amount of assistance under the Project designated as food assistance.

(iii) The State shall periodically allow participating families the option to receive such food assistance in the form of coupons.

(E)(i) Individuals ineligible for the Project who are members of a household including a participating family shall have their eligibility for the food stamp program determined and have their benefits calculated and issued following the standards established under the food stamp program, except as provided differently in this subparagraph.

(ii) The State agency shall determine such individuals' eligibility for benefits under the food stamp program and the amount of such benefits without regard to the participating family.

(iii) In computing such individuals' income for purposes of determining eligibility (under section 2014(c)(1) of this title) and benefits, the State agency shall apply the maximum excess shelter expense deduction specified under section 2014(e) of this title.

(iv) Such individuals' monthly allotment shall be the higher of \$10 or 75 percent of the amount calculated following the standards of the food stamp program and the foregoing requirements of this subparagraph, rounded to the nearest lower whole dollar.

(4) The Project shall include education, employment, and training services equivalent to those offered under the employment and training program described in section 2015(d)(4) of this title to families similar to participating families elsewhere in the State.

(5) The State may select families for participation in the Project through submission and approval of an application for participation in the Project or by assigning to the Project families that are determined eligible for or are participating in the program authorized by part A of title IV of the Social Security Act or the food stamp program.

(6) Whenever selection for participation in the Project is accomplished through submission and approval of an application for the Project—

(A) the State shall promptly determine eligibility for the Project, and issue assistance

to eligible families, retroactive to the date of application, not later than thirty days following the family's filing of an application;

(B) in the case of families determined ineligible for the Project upon application, the application for the Project shall be deemed an application for the food stamp program, and benefits under the food stamp program shall be issued to those found eligible following the standards established under the food stamp program;

(C) expedited benefits shall be provided under terms no more restrictive than under paragraph (9) of section 2020(e) of this title and the laws of Minnesota and shall include expedited issuance of designated food assistance provided through the Project or expedited benefits through the food stamp program;

(D) each individual who contacts the State in person during office hours to make what may reasonably be interpreted as an oral or written request to receive financial assistance shall receive and shall be permitted to file an application form on the same day such contact is first made;

(E) provision shall be made for telephone contact by, mail delivery of forms to and mail return of forms by, and subsequent home or telephone interview with, elderly individuals, physically or mentally handicapped individuals, and individuals otherwise unable to appear in person solely because of transportation difficulties and similar hardships;

(F) a family may be represented by another person if the other person has clearly been designated as the representative of such family for that purpose and the representative is an adult who is sufficiently aware of relevant circumstances, except that the State may—

(i) restrict the number of families who may be represented by such person; and

(ii) otherwise establish criteria and verification standards for representation under this subparagraph; and

(G) the State shall provide a method for reviewing applications to participate in the Project submitted by, and distributing assistance under the Project to, families that do not reside in permanent dwellings or who have no fixed mailing address.

(7) Whenever selection for participation in the Project is accomplished by assigning families that are determined eligible for or participating in the program authorized by part A of title IV of the Social Security Act or the food stamp program—

(A) the State shall provide eligible families assistance under the Project no later than benefits would have been provided following the standards established under the food stamp program; and

(B) the State shall ensure that assistance under the Project is provided so that there is no interruption in benefits for families participating in the program under part A of title IV of the Social Security Act or the food stamp program.

(8) Paragraphs (1)(B) and (8) of section 2020(e) of this title shall apply with respect to applicants and participating families in the same manner as such paragraphs apply with respect to applicants and participants in the food stamp program.

(9) Assistance provided under the Project shall be reduced to reflect the pro rata value of any coupons received under the food stamp program for the same period.

(10)(A) The State shall provide each family or family member whose participation in the Project ends and each family whose participation is terminated with notice of the existence of the food stamp program and the person or agency to contact for more information.

(B)(i) Following the standards specified in subparagraph (C), the State shall ensure that benefits under the food stamp program are provided to participating families in case the Project is terminated or to participating families or family members that are determined ineligible for the Project because of income, resources, or change in household composition, if such families or individuals are determined eligible for the food stamp program. Food coupons shall be issued to eligible families and individuals described in this clause retroactive to the date of termination from the Project; and

(ii) If sections 256.031 through 256.036 of the Minnesota Statutes, 1989 Supplement, or Minnesota Laws 1989, chapter 282, article 5, section 130, are amended to reduce or eliminate benefits provided under those sections or restrict the rights of Project applicants or participating families, the State shall exclude from the Project applicants or participating families or individuals affected by such amendments and follow the standards specified in subparagraph (C), except that the State shall continue to pay from State funds an amount equal to the food assistance portion to such families and individuals until the State determines eligibility or ineligibility for the food stamp program or the family or individual has failed to supply the needed additional information within ten days. Food coupons shall be provided to families and individuals excluded from the Project under this clause who are determined eligible for the food stamp program retroactive to the date of the determination of eligibility. The Secretary shall pay to the State the value of the food coupons for which such families and individuals would have been eligible in the absence of food assistance payments under this clause from the date of termination from the Project to the date food coupons are provided.

(C) Each family whose Project participation is terminated shall be screened for potential eligibility for the food stamp program and if the screening indicates potential eligibility, the family or family member shall be given a specific request to supply all additional information needed to determine such eligibility and assistance in completing a signed food stamp program application including provision of any relevant information obtained by the State for purpose of the Project. If the family or family member supplies such addi-

tional information within ten days after receiving the request, the State shall, within five days after the State receives such information, determine whether the family or family member is eligible for the food stamp program. Each family or family member who is determined through the screening or otherwise to be ineligible for the food stamp program shall be notified of that determination.

(11) Section 2020(e)(10) of this title shall apply with respect to applicant and participating families in the same manner as such paragraph applies with respect to applicants and participants in the food stamp program, except that families shall be given notice of any action for which a hearing is available in a manner consistent with the notice requirements of the regulations implementing sections 402(a)(4) and 482(h)¹ of the Social Security Act [42 U.S.C. 602(a)(4)].

(12) For each fiscal year, the Secretary shall not be liable for any costs related to carrying out the Project in excess of those that the Secretary would have been liable for had the Project not been implemented, except for costs for evaluating the Project, but shall adjust for the full amount of the federal share of increases or decreases in costs that result from changes in economic, demographic, and other conditions in the State based on data specific to the State, changes in eligibility or benefit levels authorized by this chapter, or changes in amounts of Federal funds available to States and localities under the food stamp program.

(13) The State shall carry out the food stamp program throughout the State while the State carries out the Project.

(14)(A) Except as provided in subparagraph (B), the State will carry out the Project during a five-year period beginning on the date the first family receives assistance under the Project.

(B) The Project may be terminated—

(i) by the State one hundred and eighty days after the State gives notice to the Secretary that it intends to terminate the Project;

(ii) by the Secretary one hundred and eighty days after the Secretary, after notice and an opportunity for a hearing, determines that the State materially failed to comply with this section; or

(iii) whenever the State and the Secretary jointly agree to terminate the Project.

(15) Not more than six thousand families may participate in the Project simultaneously.

(c) Additional terms and conditions of Project

The Project shall be subject to the following additional terms and conditions:

(1) The State may require any parent in a participating family to participate in education, employment, or training requirements unless the individual is a parent in a family with one parent who—

(A) is ill, incapacitated, or sixty years of age or older;

(B) is needed in the home because of the illness or incapacity of another family member;

(C) is the parent of a child under one year of age and is personally providing care for the child;

(D) is the parent of a child under six years of age and is employed or participating in education or employment and training services for twenty or more hours a week;

(E) works thirty or more hours a week or, if the number of hours worked cannot be verified, earns at least the Federal minimum hourly wage rate multiplied by thirty per week; or

(F) is in the second or third trimester of pregnancy.

(2) The State shall not require any parent of a child under six years of age in a participating family with only one parent to be employed or participate in education or employment and training services for more than twenty hours a week.

(3) For any period during which an individual required to participate in education, employment, or training requirements fails to comply without good cause with a requirement imposed by the State under paragraph (1), the amount of assistance to the family under the Project may be reduced by an amount not more than 10 percent of the assistance the family would be eligible for with no income other than that from the Project.

(d) Funding

(1) If an application submitted under subsection (a) of this section complies with the requirements specified in subsection (b) of this section, then the Secretary shall—

(A) approve such application; and

(B) subject to subsection (b)(12) of this section from the funds appropriated under this chapter provide grant awards and pay the State each calendar quarter for—

(i) the cost of food assistance provided under the Project equal to the amount that would have otherwise been issued in the form of coupons under the food stamp program had the Project not been implemented, as estimated under a methodology satisfactory to the Secretary after negotiations with the State; and

(ii) the administrative costs incurred by the State to provide food assistance under the Project that are authorized under subsections (a), (g), (h)(2), and (h)(3) of section 2025 of this title equal to the amount that otherwise would have been paid under such subsections had the Project not been implemented, as estimated under a methodology satisfactory to the Secretary after negotiations with the State: *Provided*, That payments made under subsection (g) of section 2025 of this title shall equal payments that would have been made if the Project had not been implemented.

(2) The Secretary shall periodically adjust payments made to the State under paragraph (1) to reflect—

(A) the cost of coupons issued to individuals ineligible for the Project specified in subsection (b)(3)(E) of this section in excess of the amount that would have been issued to such

individuals had the Project not been implemented, as estimated under a methodology satisfactory to the Secretary after negotiations with the State; and

(B) the cost of coupons issued to families exercising the option specified in subsection (b)(3)(D)(iii) of this section in excess of the amount that would have been issued to such individuals had the Project not been implemented, as estimated under a methodology satisfactory to the Secretary after negotiations with the State.

(3) Payments under paragraph (1)(B) shall include adjustments, as estimated under a methodology satisfactory to the Secretary after negotiations with the State, for increases or decreases in the costs of providing food assistance and associated administrative costs that result from changes in economic, demographic, or other conditions in the State based on data specific to the State, changes in eligibility or benefit levels authorized by this chapter, and changes in or additional amounts of Federal funds available to States and localities under the food stamp program.

(e) Waiver

With respect to the Project, the Secretary shall waive compliance with any requirement contained in this chapter (other than this section) that, if applied, would prevent the State from carrying out the Project or effectively achieving its purpose.

(f) Project audits

The Comptroller General of the United States shall—

(1) conduct periodic audits of the operation of the Project to verify the amounts payable to the State from time to time under subsection (d) of this section; and

(2) submit to the Secretary, the Secretary of Health and Human Services, the Committee on Agriculture of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of each such audit.

(g) Construction

(1) For purposes of any Federal, State, or local law other than part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] or this chapter—

(A) cash assistance provided under the Project that is designated as food assistance by the State shall be treated in the same manner as coupon allotments under the food stamp program are treated; and

(B) participating families shall be treated in the same manner as participants in the food stamp program are treated.

(2) Nothing in this section shall—

(A) allow payments made to the State under the Project to be less than the amounts the State and eligible households within the State would have received if the Project had not been implemented; or

(B) require the Secretary to incur costs as a result of the Project in excess of costs that would have been incurred if the Project had not been implemented, except for costs for evaluation.

(h) Quality control

Participating families shall be excluded from any sample taken for purposes of making any determination under section 2025(c) of this title. For purposes of establishing the total value of allotments under section 2025(c)(1) of this title, food coupons and the amount of federal liability for food assistance provided under the Project as limited by subsection (b)(12) of this section shall be treated as allotments issued under the food stamp program.

(i) Evaluation

(1) The State shall develop and implement a plan for an independent evaluation designed to provide reliable information on Project impacts and implementation. The evaluation will include treatment and control groups and will include random assignment of families to treatment and control groups in an urban setting. The evaluation plan shall satisfy the evaluation concerns of the Secretary of Agriculture such as effects on benefits to participants, costs of the Project, payment accuracy, administrative consequences, any reduction in welfare dependency, any reduction in total assistance payments, and the consequences of cash payments on household expenditures, and food consumption. The evaluation plan shall take into consideration the evaluation requirements and administrative obligations of the State. The evaluation will measure the effects of the Project in regard to goals of increasing family income, prevention of long-term dependency, movement toward self-support, and simplification of the welfare system.

(2) The State shall pay 50 percent of the cost of developing and implementing such plan and the Federal Government shall pay the remainder.

(j) Definitions

For purposes of this section, the following definitions apply:

(1) The term “family” means the following individuals who live together: a minor child or a group of minor children related to each other as siblings, half siblings, stepsiblings, or adopted siblings, together with their natural or adoptive parents, or their caregiver. Family also includes a pregnant woman in the third trimester of pregnancy with no children.

(2) The term “contract” means a plan to help a family pursue self-sufficiency, based on the State’s assessment of the family’s needs and abilities and developed with a parental caregiver.

(3) The term “caregiver” means a minor child’s natural or adoptive parent or parents who live in the home with the minor child. For purposes of determining eligibility for the Project, “caregiver” also means any of the following individuals who live with and provide care and support to a minor child when the minor child’s natural or adoptive parent or parents do not reside in the same home: grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, niece, persons of preceding generations as denoted by prefixes of “great” or “great-great” or a spouse of any person named in the above

groups even after the marriage ends by death or divorce.

(4) The term “State” means the State of Minnesota.

(Pub. L. 88-525, §22, as added Pub. L. 101-202, Dec. 6, 1989, 103 Stat. 1796; amended Pub. L. 102-237, title IX, §941(11), Dec. 13, 1991, 105 Stat. 1893; Pub. L. 107-171, title IV, §4118(d), May 13, 2002, 116 Stat. 321.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (a), (b)(2), (3)(A), (B)(ii), (iii), (C)(ii), (iii), (5), (7), and (g)(1), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. Part F of title IV of the Act was classified generally to part F (§681 et seq.) of subchapter IV of chapter 7 of Title 42, prior to repeal by Pub. L. 104-193, title I, §108(e), Aug. 22, 1996, 110 Stat. 2167. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

Section 482 of the Social Security Act, referred to in subsec. (b)(11), was classified to section 682 of Title 42, The Public Health and Welfare, prior to repeal by Pub. L. 104-193, title I, §108(e), Aug. 22, 1996, 110 Stat. 2167.

AMENDMENTS

2002—Subsec. (h). Pub. L. 107-171 substituted “section 2025(c)(1) of this title” for “section 2025(c)(1)(C) of this title” and struck out “Payments for administrative costs incurred by the State shall be included for purposes of establishing the adjustment under section 2025(c)(1)(A) of this title.” at end.

1991—Pub. L. 102-237, §941(11)(A), inserted section catchline.

Subsec. (d)(2)(B). Pub. L. 102-237, §941(11)(B), substituted “subsection (b)(3)(D)(iii)” for “paragraph (b)(3)(D)(iii)”.

Subsec. (h). Pub. L. 102-237, §941(11)(C), substituted “subsection (b)(12)” for “subsection b(12)”.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107-171 not applicable with respect to any sanction, appeal, new investment agreement, or other action by the Secretary of Agriculture or a State agency that is based on a payment error rate calculated for any fiscal year before fiscal year 2003, see section 4118(e) of Pub. L. 107-171, set out as a note under section 2022 of this title.”

Amendment by Pub. L. 107-171 effective Oct. 1, 2002, except as otherwise provided, see section 4405 of Pub. L. 107-171, set out as an Effective Date note under section 1161 of Title 2, The Congress.

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102-237 effective and to be implemented no later than Feb. 1, 1992, see section 1101(d)(1) of Pub. L. 102-237, set out as a note under section 1421 of this title.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (f)(2) of this section relating to submitting reports on periodic audits to certain committees of Congress, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 2 of House Document No. 103-7.

§ 2032. Automated data processing and information retrieval systems

(a) Standards and procedures for reviews

(1) Initial reviews

(A) In general

Not later than 1 year after November 28, 1990, the Secretary shall complete a review

of regulations and standards (in effect on November 28, 1990) for the approval of an automated data processing and information retrieval system maintained by a State (hereinafter in this section referred to as a “system”) to determine the extent to which the regulations and standards contribute to a more effective and efficient program.

(B) Revision of regulations

The Secretary shall revise regulations (in effect on November 28, 1990) to take into account the findings of the review conducted under subparagraph (A).

(C) Incorporation of existing systems

The regulations shall require States to incorporate all or part of systems in use elsewhere, unless a State documents that the design and operation of an alternative system would be less costly. The Secretary shall establish standards to define the extent of modification of the systems for which payments will be made under either section 2025(a) or 2025(g) of this title.

(D) Implementation

Proposed systems shall meet standards established by the Secretary for timely implementation of proper changes.

(E) Cost effectiveness

Criteria for the approval of a system under section 2025(g) of this title shall include the cost effectiveness of the proposed system. On implementation of the approved system, a State shall document the actual cost and benefits of the system.

(2) Operational reviews

The Secretary shall conduct such reviews as are necessary to ensure that systems—

(A) comply with conditions of initial funding approvals; and

(B) adequately support program delivery in compliance with this chapter and regulations issued under this chapter.

(b) Standards for approval of systems

(1) In general

After conducting the review required under subsection (a) of this section, the Secretary shall establish standards for approval of systems.

(2) Implementation

A State shall implement the standards established by the Secretary within a reasonable period of time, as determined by the Secretary.

(3) Periodic compliance reviews

The Secretary shall conduct appropriate periodic reviews of systems to ensure compliance with the standards established by the Secretary.

(c) Report

Not later than October 1, 1993, the Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on the extent to which State agencies have developed and are operating effective

systems that support food stamp program delivery in compliance with this chapter and regulations issued under this chapter.

(Pub. L. 88-525, §23, as added Pub. L. 101-624, title XVII, §1763(a), Nov. 28, 1990, 104 Stat. 3805.)

CODIFICATION

November 28, 1990, referred to in subsec. (a)(1)(B), was in the original “the date of enactment of this Act”, which was translated as meaning the date of enactment of Pub. L. 101-624, which enacted this section, to reflect the probable intent of Congress.

§ 2033. Repealed. Pub. L. 107-171, title IV, § 4124(b), May 13, 2002, 116 Stat. 326

Section, Pub. L. 88-525, §24, as added Pub. L. 104-127, title IV, §401(g), Apr. 4, 1996, 110 Stat. 1027, related to payments by the Secretary to the Territory of American Samoa for fiscal years 1996 through 2002 to finance expenditures for nutrition assistance program extended under section 1469d(c) of title 48.

EFFECTIVE DATE OF REPEAL

Repeal effective May 13, 2002 and applicable beginning on Oct. 1, 2002, see section 4124(c), (d) of Pub. L. 107-171, set out as an Effective Date of 2002 Amendment note under section 2028 of this title.

§ 2034. Assistance for community food projects

(a) “Community food projects” defined

In this section, the term “community food project” means a community-based project that requires a 1-time infusion of Federal assistance to become self-sustaining and that is designed to—

- (1)(A) meet the food needs of low-income people;
- (B) increase the self-reliance of communities in providing for their own food needs; and
- (C) promote comprehensive responses to local food, farm, and nutrition issues; or
- (2) meet specific State, local, or neighborhood food and agricultural needs, including needs for—
 - (A) infrastructure improvement and development;
 - (B) planning for long-term solutions; or
 - (C) the creation of innovative marketing activities that mutually benefit agricultural producers and low-income consumers.

(b) Authority to provide assistance

(1) In general

From amounts made available to carry out this chapter, the Secretary may make grants to assist eligible private nonprofit entities to establish and carry out community food projects.

(2) Limitation on grants

The total amount of funds provided as grants under this section may not exceed—

- (A) \$1,000,000 for fiscal year 1996; and
- (B) \$5,000,000 for each of fiscal years 1997 through 2007.

(c) Eligible entities

To be eligible for a grant under subsection (b) of this section, a private nonprofit entity must—

- (1) have experience in the area of—
 - (A) community food work, particularly concerning small and medium-sized farms,

including the provision of food to people in low-income communities and the development of new markets in low-income communities for agricultural producers; or

(B) job training and business development activities for food-related activities in low-income communities;

(2) demonstrate competency to implement a project, provide fiscal accountability, collect data, and prepare reports and other necessary documentation; and

(3) demonstrate a willingness to share information with researchers, practitioners, and other interested parties.

(d) Preference for certain projects

In selecting community food projects to receive assistance under subsection (b) of this section, the Secretary shall give a preference to projects designed to—

(1) develop linkages between 2 or more sectors of the food system;

(2) support the development of entrepreneurial projects;

(3) develop innovative linkages between the for-profit and nonprofit food sectors; or

(4) encourage long-term planning activities, and multisystem, interagency approaches with multistakeholder collaborations, that build the long-term capacity of communities to address the food and agricultural problems of the communities, such as food policy councils and food planning associations.

(e) Matching funds requirements

(1) Requirements

The Federal share of the cost of establishing or carrying out a community food project that receives assistance under subsection (b) of this section may not exceed 50 percent of the cost of the project during the term of the grant.

(2) Calculation

In providing for the non-Federal share of the cost of carrying out a community food project, the entity receiving the grant shall provide for the share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services.

(3) Sources

An entity may provide for the non-Federal share through State government, local government, or private sources.

(f) Term of grant

(1) Single grant

A community food project may be supported by only a single grant under subsection (b) of this section.

(2) Term

The term of a grant under subsection (b) of this section may not exceed 3 years.

(g) Technical assistance and related information

(1) Technical assistance

In carrying out this section, the Secretary may provide technical assistance regarding community food projects, processes, and development to an entity seeking the assistance.

(2) Sharing information**(A) In general**

The Secretary may provide for the sharing of information concerning community food projects and issues among and between government, private for-profit and nonprofit groups, and the public through publications, conferences, and other appropriate forums.

(B) Other interested parties

The Secretary may share information concerning community food projects with researchers, practitioners, and other interested parties.

(h) Innovative programs for addressing common community problems**(1) In general**

The Secretary shall offer to enter into a contract with, or make a grant to, 1 nongovernmental organization that meets the requirements of paragraph (2) to coordinate with Federal agencies, States, political subdivisions, and nongovernmental organizations (collectively referred to in this subsection as “targeted entities”) to gather information, and recommend to the targeted entities, innovative programs for addressing common community problems, including—

- (A) loss of farms and ranches;
- (B) rural poverty;
- (C) welfare dependency;
- (D) hunger;
- (E) the need for job training; and
- (F) the need for self-sufficiency by individuals and communities.

(2) Nongovernmental organization

The nongovernmental organization referred to in paragraph (1) shall—

- (A) be selected by the Secretary on a competitive basis;
- (B) be experienced in working with other targeted entities and in organizing workshops that demonstrate programs to other targeted entities;
- (C) be experienced in identifying programs that effectively address community problems described in paragraph (1) that can be implemented by other targeted entities;
- (D) be experienced in, and capable of, receiving information from and communicating with other targeted entities throughout the United States;
- (E) be experienced in operating a national information clearinghouse that addresses 1 or more of the community problems described in paragraph (1); and
- (F) as a condition of entering into the contract or receiving the grant referred to in paragraph (1), agree—

- (i) to contribute in-kind resources toward implementation of the contract or grant;
- (ii) to provide to other targeted entities information and guidance on the innovative programs referred to in paragraph (1); and
- (iii) to operate a national information clearinghouse on innovative means for addressing community problems described in paragraph (1) that—

(I) is easily usable by—

- (aa) Federal, State, and local government agencies;
- (bb) local community leaders;
- (cc) nongovernmental organizations;
- and
- (dd) the public; and

(II) includes information on approved community food projects.

(3) Audits; effective use of funds

The Secretary shall establish auditing procedures and otherwise ensure the effective use of funds made available to carry out this subsection.

(4) Funding

Not later than 90 days after May 13, 2002, and on October 1 of each of fiscal years 2003 through 2007, the Secretary shall allocate to carry out this subsection \$200,000 of the funds made available under subsection (b) of this section, to remain available until expended.

(Pub. L. 88–525, §25, as added Pub. L. 104–127, title IV, §401(h), Apr. 4, 1996, 110 Stat. 1027; amended Pub. L. 107–171, title IV, §4125(a), May 13, 2002, 116 Stat. 326.)

AMENDMENTS

2002—Subsec. (a). Pub. L. 107–171, §4125(a)(1), designated pars. (1) to (3) as subpars. (A) to (C) of par. (1), respectively, and added par. (2).

Subsec. (b)(2)(B). Pub. L. 107–171, §4125(a)(2), substituted “\$5,000,000” for “\$2,500,000” and “2007” for “2002”.

Subsec. (d)(4). Pub. L. 107–171, §4125(a)(3), added par. (4) and struck out former par. (4) which read as follows: “encourage long-term planning activities and multi-system, interagency approaches.”

Subsec. (h). Pub. L. 107–171, §4125(a)(4), added subsec. (h) and struck out heading and text of former subsec. (h). Text read as follows:

“(1) IN GENERAL.—The Secretary shall provide for the evaluation of the success of community food projects supported using funds under this section.

“(2) REPORT.—Not later than January 30, 2002, the Secretary shall submit a report to Congress regarding the results of the evaluation.”

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107–171, title IV, §4125(b), May 13, 2002, 116 Stat. 327, provided that: “The amendments made by this section [amending this section] take effect on the date of enactment of this Act [May 13, 2002].”

§ 2035. Simplified Food Stamp Program**(a) “Federal costs” defined**

In this section, the term “Federal costs” does not include any Federal costs incurred under section 2026 of this title.

(b) Election

Subject to subsection (d) of this section, a State may elect to carry out a Simplified Food Stamp Program (referred to in this section as a “Program”), statewide or in a political subdivision of the State, in accordance with this section.

(c) Operation of Program

If a State elects to carry out a Program, within the State or a political subdivision of the State—

(1) a household in which no members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) may not participate in the Program;

(2) a household in which all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) shall automatically be eligible to participate in the Program;

(3) if approved by the Secretary, a household in which 1 or more members but not all members receive assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) may be eligible to participate in the Program; and

(4) subject to subsection (f) of this section, benefits under the Program shall be determined under rules and procedures established by the State under—

(A) a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(B) the food stamp program; or

(C) a combination of a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and the food stamp program.

(d) Approval of Program

(1) State plan

A State agency may not operate a Program unless the Secretary approves a State plan for the operation of the Program under paragraph (2).

(2) Approval of plan

The Secretary shall approve any State plan to carry out a Program if the Secretary determines that the plan—

(A) complies with this section; and

(B) contains sufficient documentation that the plan will not increase Federal costs for any fiscal year.

(e) Increased Federal costs

(1) Determination

(A) In general

The Secretary shall determine whether a Program being carried out by a State agency is increasing Federal costs under this chapter.

(B) No excluded households

In making a determination under subparagraph (A), the Secretary shall not require the State agency to collect or report any information on households not included in the Program.

(C) Alternative accounting periods

The Secretary may approve the request of a State agency to apply alternative accounting periods to determine if Federal costs do not exceed the Federal costs had the State agency not elected to carry out the Program.

(2) Notification

If the Secretary determines that the Program has increased Federal costs under this chapter for any fiscal year or any portion of

any fiscal year, the Secretary shall notify the State not later than 30 days after the Secretary makes the determination under paragraph (1).

(3) Enforcement

(A) Corrective action

Not later than 90 days after the date of a notification under paragraph (2), the State shall submit a plan for approval by the Secretary for prompt corrective action that is designed to prevent the Program from increasing Federal costs under this chapter.

(B) Termination

If the State does not submit a plan under subparagraph (A) or carry out a plan approved by the Secretary, the Secretary shall terminate the approval of the State agency operating the Program and the State agency shall be ineligible to operate a future Program.

(f) Rules and procedures

(1) In general

In operating a Program, a State or political subdivision of a State may follow the rules and procedures established by the State or political subdivision under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under the food stamp program.

(2) Standardized deductions

In operating a Program, a State or political subdivision of a State may standardize the deductions provided under section 2014(e) of this title. In developing the standardized deduction, the State shall consider the work expenses, dependent care costs, and shelter costs of participating households.

(3) Requirements

In operating a Program, a State or political subdivision shall comply with the requirements of—

(A) subsections (a) through (g) of section 2016 of this title;

(B) section 2017(a) of this title (except that the income of a household may be determined under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(C) subsection¹ (b) and (d) of section 2017 of this title;

(D) subsections (a), (c), (d), and (n) of section 2020 of this title;

(E) paragraphs (8), (12), (16), (18), (20), (24), and (25) of section 2020(e) of this title;

(F) section 2020(e)(10) of this title (or a comparable requirement established by the State under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

(G) section 2025 of this title.

(4) Limitation on eligibility

Notwithstanding any other provision of this section, a household may not receive benefits under this section as a result of the eligibility

¹ So in original. Probably should be "subsections".

of the household under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), unless the Secretary determines that any household with income above 130 percent of the poverty guidelines is not eligible for the program.

(Pub. L. 88-525, §26, as added Pub. L. 104-193, title VIII, §854(a), Aug. 22, 1996, 110 Stat. 2340.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (c) and (f), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

§ 2036. Availability of commodities for emergency food assistance program

(a) Purchase of commodities

From amounts made available to carry out this chapter, for each of fiscal years 2002 through 2007, the Secretary shall purchase \$140,000,000 of a variety of nutritious and useful commodities of the types that the Secretary has the authority to acquire through the Commodity Credit Corporation or under section 612c of this title and distribute the commodities to States for distribution in accordance with section 7515 of this title.

(b) Basis for commodity purchases

In purchasing commodities under subsection (a) of this section, the Secretary shall, to the extent practicable and appropriate, make purchases based on—

- (1) agricultural market conditions;
(2) preferences and needs of States and distributing agencies; and
(3) preferences of recipients.

(Pub. L. 88-525, §27, as added Pub. L. 104-193, title VIII, §871(g), Aug. 22, 1996, 110 Stat. 2346; amended Pub. L. 107-171, title IV, §4126(a), May 13, 2002, 116 Stat. 328.)

AMENDMENTS

2002—Subsec. (a). Pub. L. 107-171 substituted “2002 through 2007” for “1997 through 2002” and “\$140,000,000” for “\$100,000,000”.

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107-171, title IV, §4126(b), May 13, 2002, 116 Stat. 328, provided that: “The amendments made by this section amending this section] take effect on October 1, 2001.”

CHAPTER 52—FARM LABOR CONTRACTOR REGISTRATION

§§ 2041 to 2055. Repealed. Pub. L. 97-470, title V, § 523, Jan. 14, 1983, 96 Stat. 2600

Subject matter of former sections 2041 to 2055 of this title is covered by Migrant and Seasonal Agricultural Worker Protection Act, chapter 20 (sections 1801 et seq.) of Title 29, Labor, as follows:

Table with 2 columns: Former Sections and Title 29 Sections. Rows include 2041, 2042(a), 2042(b), 2042(b)(1), 2042(b)(2) and their corresponding Title 29 sections.

Large table with 2 columns: Former Sections and Title 29 Sections. Rows include 2042(b)(3) through 2055 and their corresponding Title 29 sections.

Section 2041, Pub. L. 88-582, §2, Sept. 7, 1964, 78 Stat. 920; Pub. L. 93-518, §11(d), Dec. 7, 1974, 88 Stat. 1656, declared congressional policy for enactment of Farm Labor Contractor Registration Act of 1963.

Section 2042, Pub. L. 88-582, §3, Sept. 7, 1964, 78 Stat. 920; Pub. L. 93-518, §§2, 3, Dec. 7, 1974, 88 Stat. 1652, 1653; Pub. L. 94-259, §2, Apr. 5, 1976, 90 Stat. 314; Pub. L. 94-561, §6, Oct. 19, 1976, 90 Stat. 2644; Pub. L. 95-562, §4, Oct. 25, 1978, 92 Stat. 2382, defined terms used in Farm Labor Contractor Registration Act of 1963.

Section 2043, Pub. L. 88-582, §4, Sept. 7, 1964, 78 Stat. 921; Pub. L. 93-518, §4, Dec. 7, 1974, 88 Stat. 1653, related to certificates of registration, regular employees of farm contractors, and period of denial of Federal Employment Service.

Section 2044, Pub. L. 88-582, §5, Sept. 7, 1964, 78 Stat. 921; Pub. L. 93-518, §§5-8, Dec. 7, 1974, 88 Stat. 1653-1655, provided for issuance of certificates of registration, covering in: subsec. (a), persons qualified; subsec. (b), refusal to issue certificates, suspension, revocation, and refusal to renew; subsec. (c), transfer or assignment of certificates, period of effectiveness, and renewal; and subsec. (d), change of address notice, public central registry, and documentation of vehicles for transportation and real property for housing of migrant workers.

Section 2045, Pub. L. 88-582, §6, Sept. 7, 1964, 78 Stat. 922; Pub. L. 93-518, §§9, 10, 11(a)-(c), Dec. 7, 1974, 88 Stat. 1655, 1656, related to obligations and prohibitions.